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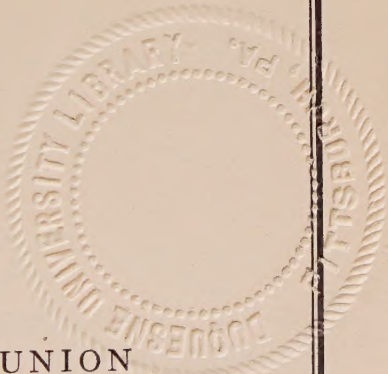
MISLEADERS OF LABOR

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MISLEADERS OF LABOR

BY
WILLIAM Z. FOSTER

TRADE UNION
EDUCATIONAL LEAGUE

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PREFACE

The backwardness, ideologically and organizationally, of the American working class has long been notorious. In the United States there exists the extraordinary situation of the world's most advanced industrial system on the one hand and the most backward labor movement of any industrial country on the other. To understand this apparent contradiction is of vital importance.

The organized workers of this country constitute the only important labor movement in the world which still frankly supports and defends the capitalist system. In all other countries the organized workers are generally looking forward to the abolition of capitalism and the establishment of a proletarian system of society, even though they may often apply futile reformist methods to arrive at their goal. But in the United States even the mildest forms of yellow socialism are taboo. The labor movement is still officially wedded to the present profit system.

In line with this unparalleled ideological backwardness, the American labor movement is the only important one which still remains affiliated to the capitalist political parties, and which has not yet built up a mass political party of its own. On the other hand, the workers of Great Britain, Germany, France (not to mention those of the Soviet Union) have long since broken with the capitalist parties and have organized their Labor, Socialist, and Communist parties. The political consciousness of these working masses is awakening and they have built up powerful political organizations and large delegations in the various legislative bodies; whereas the American workers, still trailing along in the wake of the Republican and Democratic parties and thus weakly accept-

ing the leadership and program of their class enemies, the capitalists, remain politically inert and virtually without any representation whatever in the local, state, and national government machinery.

The trade unions proper, in their organization and policies, reflect the same general backwardness of the American working class. Although confronted with a very rapid concentration of the forces of capital their leaders still cling desperately to the antiquated system of craft unionism. European workers, who have a much less powerful capitalism to contend with, have long since adopted generally the principle of industrial rather than craft organization and they are constantly consolidating their unions.* Numerically the American unions are also relatively weaker than those of any other of the great industrial countries. They comprise (including independent unions) only 3,500,000 of a total of at least 20,000,000 organizable workers. And those who are organized are mostly skilled workers and others engaged in the competitive and lighter industries. The great basic and trustified industries, which in Europe are heavily organized, here remain largely without trade unions.

The backwardness of the American labor movement manifests itself not only in its primitive political and industrial organization, but also in every other line of proletarian endeavor. For example, our co-operative movement, the history of which reeks with inefficiency and corruption, is only an infant in size and general development in comparison with the giant co-operative movements of European countries. In summing up the constructive activities of world labor, no matter what branch is under consideration, the American working class always stands at or near the bottom of the list. It holds undisputed the very doubtful honor of being

*For example, the 5,000,000 members of the German Federation of Labor are combined in but 38 unions, while the 3,000,000 members of the A. F. of L. are scattered through 120 organizations.

the most backward working class of the modern industrial world.

Various factors have combined to retard the development of the American working class. Of basic importance was the very rapid and extensive development of the industrial system in a thinly settled country with tremendous natural resources. The insatiable demands of the swiftly growing industries for workers, which even the greatest immigration in the world's history could not sate, coupled with the bonanza features of American industry generally, enabled large sections of the workers to secure a relatively high standard of living. This checked the development of class consciousness. Besides, the industrial boom presented an opportunity for large numbers of the workers to raise themselves into the ranks of the petty business elements, which tended to blur class lines, to decapitate the working class, to cultivate illusions of democracy, and generally to prevent the growth of a powerful and class conscious labor movement.

Similar hindering effects were exerted by the existence, up till a few years ago, of vast stretches of free land, which acted as a safety valve to draw much explosive matter away from the industrial centers. Thus in the platform of the National Labor Union, adopted in 1868, occurs the following typical advice:

"This Congress would most respectfully recommend to the workingmen of the country that in case they are pressed for want of employment, they proceed to become actual settlers."

For many years the ideal of the workers was definitely a petty bourgeois ideal. Few expected to remain workers. The great bulk of them looked forward to the time when they would "get a farm or go into business for themselves." The impulse to adopt advanced proletarian ideas and to build revolutionary organizations was weak.

An obstacle to the development of the workers, organizationally and ideologically, is the great melange of races

and nationalities, the product of the vast immigration, which go to make up the American working class. With these diversified elements speaking many languages, having a multitude of different religious and national prejudices, often accustomed to much lower living standards than those in the United States, and having but few traditions in common, the difficulties in the way of their uniting into one compact class conscious movement have been great. The absence until recently of a strong centralized national government in the United States, such as has existed for many years in the European countries, contributed much to hindering the class awakening of the proletariat in this country.

For many years the employers have followed with success the policy of making concessions to skilled workers, to split them away from the unskilled and to make them docile. But since the world war ended with a flourishing American imperialism, they have intensified this tendency and thus have placed fresh barriers in the way of the workers' development. The employers, enriched and made powerful by their super-profits wrung from exploited peoples all over the world, are able, on the one hand, to beat back the weak struggles of the conservative and antiquated craft unions when the latter venture to fight, and, on the other hand, to "bribe" considerable sections of the upper strata of the workers into quietude by making them concessions. Lenin in his *Imperialism* (p. 7) says:

"It is easy to perceive that from such a large additional profit (for it is received in addition to the profit which the capitalists extract from the workers of their own country), labor leaders and the upper strata of the workers *can be bribed*. So the capitalists of the 'progressive' countries bribe them by a thousand different means, direct and indirect, open and secret."

This "bribing" of the workers by imperialism takes place in various ways. The employers often grant increases in wages and improvements in working conditions to sections of

the skilled workers while pressing the unskilled with bitter exploitation. Thus they tend to neutralize the skilled workers and to use them against the unskilled. Never was this done on such a gigantic scale in any country as now in the United States. The employers also develop welfare systems, employee stock-holding, company unions, profit sharing schemes, etc. with which they seek to weaken the resistance of the working class generally. American imperialism, with its "boom" conditions, also creates new industries, which enables considerable numbers of the highest paid workers to pass into the ranks of the small business elements. American imperialism in its present upward stage of development thus tends to strengthen petty bourgeois ideals and illusions among the mass of workers and to prevent the development of class consciousness and militant labor organization.

These forces develop an ultra conservative trade union bureaucracy which in turn becomes a further vital factor in blocking the progress of the American labor movement. The incredibly reactionary bureaucracy now standing at the head of our unions, itself the product of the conservatizing, "bribing" effects of American capitalism (coupled with certain wrong policies long practiced by the left wing and which will be dealt with later) has in turn, under the stimulus of the employers, become a very powerful cause in retarding the struggles of the workers for enlightenment, for a strong organization, and for higher standards of living. Far more than is commonly supposed, even by left wing theoreticians, the trade union leaders, who for many years have bitterly fought every progressive movement in the unions, are responsible for the present severe plight of the labor movement.

The forces of American imperialism, which in their totality make for the conservatism of the upper layers of the working class, will eventually definitely revolutionize the American labor movement. But this will not take place without the most energetic exposure and struggle against the re-

actionary bureaucracy, a task in which the T. U. E. L. and the Workers (Communist) Party are engaged.

It is the purpose of this book to analyze the conservative trade union bureaucracy, to show what it is, to explain its relations with the employers, to expose its corrupt and reactionary practices, to point out its disastrous betrayals of the workers, to indicate how it checks the progress of the labor movement, and to outline measures for freeing labor of this capitalistic incubus. This book is written around the action program of the Trade Union Educational League, a program which indicates the first tasks of the workers in building up a powerful and revolutionary labor movement.

The need for such a frank and free discussion of our trade union leadership is a burning one. It is high time that the workers understand more clearly the real character and role of the present-day trade union officialdom. The literature on this subject is scanty and altogether insufficient. There has been far too much of a tendency to veil the corruption of the leadership, in the false idea that to expose such leaders tends to weaken discipline in the unions. Consequently they have had a free rein for their nefarious activities. In years past some efforts were made to analyze the trade union leadership, an instance being the pamphlet, *Two Pages from Roman History*, by De Leon. Various early Socialist Party and I. W. W. pamphlets touched upon this subject in a general and fragmentary way. The Workers (Communist) Party and the T. U. E. L. have also issued a number of pamphlets and books dealing with the question. But all this literature is either incomplete or out of date. A new and extended analysis of the labor bureaucracy and its policies is necessary, especially in view of the profound changes in the labor movement within the past five years under the influence of an expanding American imperialism. Hence the present book, most of the material for which was gathered late in 1924.

Within recent months the reactionaries at the head of the

A. F. of L., Matthew Woll especially, have had the brass to accuse the left wing in the needle unions and in the labor movement generally of corruption and of open betrayal of the workers' interests. We accept their challenge for a show-down. This book will give at least an indication of the black record and anti-proletarian practices of the A. F. of L. bureaucracy, which are without a parallel in the world's labor movement.

I take this occasion to thank those militants who have co-operated so effectively in the extensive research work necessary for this book.

WM. Z. FOSTER

Chicago, October 1, 1927

CHAPTER I

A CORRUPTED LABOR LEADERSHIP

1. THE ROLE OF THE CONSERVATIVE BUREAUCRACY

When capitalism begins to develop in a country and to create a substantial working class, inevitably the wage workers, under pressure of bitter exploitation, are compelled to make organized resistance against their rapacious employers. They carry on strikes; they organize trade unions. These early efforts of the workers to organize and fight are extremely militant, often they have a decidedly revolutionary character. This was true of the labor movement in its early stages in Great Britain, France, Italy, the United States, and many other industrialized countries. It is now true of China, India, Japan, and other eastern lands where intense capitalist industrialization is just getting well under way.

(a) The Primitive Policy of the Employers

The early capitalists, when confronted by these sharp revolts of their workers, inevitably proceed against them with fire and sword. They treat the strikers as criminals, the strikes as riots, and the trade unions as conspiracies against the government. Their policy in this first stage of capitalism is a ruthless extermination of every semblance of resistance, ideologically and organizationally, to their own unlimited exploitation of the workers.

Every industrial country has passed or is passing through this stage of open challenge of the trade union movement's right to exist. Great Britain's labor history is a classical example. In that country but little over a hundred years ago strikes were illegal and trade unions outlaw combinations.

Many workers were not only blacklisted by the employers for union activities but also jailed by the state as common criminals. A famous case was that of the "Six Men of Dorset," to whom a monument now stands in an English city. They were transported as convicts to Australia on the prison ship "Success" because they led a strike of agricultural workers. Innumerable similar instances are to be found in the early history of all industrial countries.

But in every country this primitive employer policy of a general annihilation of the trade union movement fails. In spite of all the legalistic and economic terrorism by the state and the employers, the workers continue to strike and to organize unions. Gradually they break down everywhere the laws prohibiting the formation of trade unions, and by dint of their power and militant action compel the employers to recognize their organizations. In Great Britain, France, Germany and the United States, and all other industrial countries, the state was eventually forced to formally legalize the trade union movement which it could not suppress. Everywhere the employers have to accept in a general way the principle of an organized movement of their workers as an inescapable accompaniment of the capitalist system.

(b) *The Employers' Aim at Union Control*

Inability to stamp out the trade union movement in its entirety compels the employers to seek to control and to limit it. The basis of this control policy is to make certain concessions to the upper sections of the skilled workers and to use them and their leaders as a buffer against the radical demands of the great masses of unskilled and semi-skilled. This the employers can do because of their growing accumulation of capital, the intensification of the exploitation of labor through the development of trusts and monopolies, and surplus profits wrung from the exploitation of foreign markets. They seek to domesticate the trade unions, to strip

them of their revolutionary fire by granting a few sops to the strategically situated workers. This is the course of development in all industrial countries, although the capitalists never fail to try to smash the unions altogether whenever they have a favorable opportunity, as in Italy under Fascism, in many industries in the United States, and in the present drive against the British unions.

To control the trade unions the employers have a settled policy of bringing the union leaders under their sway. For this they have a whole variety of means, to outline the workings of which is a leading purpose of this book. On the one hand, they use terrorism against all militant leaders, thus putting a penalty on honesty and aggressiveness. And on the other, they win over the pliable elements among the leaders by many forms of bribery. The employers seek to develop the trade union bureaucracy as a buffer, a shock-absorber, between them and the masses of workers, to break up and demoralize the latter's aggressive attacks against the employers and capitalism. They generally reduce the union leaders to what Lenin called "agents of the bourgeoisie in the ranks of the working class." In his pamphlet *Two Pages from Roman History* De Leon compares the employers' policy of bribing working class leaders to that of Roman Patricians who successfully corrupted the leaders of the Plebeians.

In all capitalist countries the employers have succeeded with their policy and they systematically control large sections of the trade union leadership. Nowhere is this more true than in the United States. Here the labor leadership is the most thoroughly corrupted. Here it is the most closely allied to capitalism. This is the land par excellence of the "labor faker," of the professional, unashamed betrayer of the working class.*

*The term "labor faker" was originally applied to the brazen, cynical, deeply corrupted right wing trade union leaders. But with the passage of the years it has come to cover almost the whole conservative leadership.

In the United States the employers, in their never-ending quest for cheaper and uninterrupted production, use the most open and direct efforts to control the trade union leadership. They shamelessly bribe the union leaders by every conceivable means, they extend them favors in politics and industry, flatter them socially, pay them cash, and make concessions to the groups of workers they represent, at the expense of the masses of unorganized, etc. In *Reminiscences of De Leon, A Symposium*, it is well said:

"The capitalist atmosphere in the United States, productive of rich pickings in politics and industry, breeds the labor faker as a swamp breeds mosquitoes."

2. THE RIGHT WING TRADE UNION LEADERS

For many years the trade union movement has been firmly in the grip of the right wing leadership, the traditional Gompers oligarchy. This ultra-reactionary machine has its base among the skilled workers in the building trades, the printing trades, the railroad unions, etc. Of recent years it has also conquered a dominant position in the United Mine Workers. It is the most thoroughly corrupted section of the trade union leadership.

(a) *Social Conceptions of the Right Wing*

The right wing leaders are firmly wedded in principle and practice to capitalism. This is the ideological expression of their corruption by the employers. They accept the capitalist

Thus "labor leader" and "labor faker" have become almost interchangeable terms in the minds of masses of workers. The origin of the term "labor faker" is uncertain. Gompers attributed it to De Leon. On page 417, Vol. 1 of his book, *Seventy Years of Life and Labor*, he says: "It was De Leon who invented the epithet 'labor fakers' for application to trade union officials. De Leon, however, in *Two Pages from Roman History*, p. 53, ascribes it to Francis A. Walsh of Lynn, Mass. As early as 1903, Charles H. Corregan was expelled from Typographical Union 55 (Syracuse, N. Y.) for referring to that organization's officers as 'labor fakers.'"

system in all its essentials. Their philosophy is based on the theory of the community of interests of capital and labor. In a speech delivered on March 21, 1927, President Green categorically repudiates the class struggle, saying:

"It is my opinion that the so-called 'irrepressible conflict' which some economists claim exists between the employers and the employees can be terminated. Good judgment and reciprocal concessions in arriving at a settlement of industrial disputes can bring about a realization of this happy result."

The right wing leaders make no proposals to abolish or drastically change the present social order. Their reformism is of the weakest type, and steadily grows weaker. It is essentially capitalistic. They have long been the bitterest opponents of everything progressive and militant in the trade unions. Even the yellowest brand of socialism is specifically rejected by them. In the Boston convention of the A. F. of L. Gompers voiced their condemnation of all things radical and revolutionary in the following repudiation of the socialists:

"Economically, you are unsound; socially, you are wrong; industrially, you are impossible."

Endless quotations might be made from trade union conventions, officials' speeches, labor papers, etc., to show the right wing bureaucrats' acceptance of capitalism. The *Baltimore Trade Unionist* of Dec. 27, 1924, frankly expresses the opinion of the whole reactionary trade union leadership when it says: "We believe in a wage system based on the skill and energy of the workman." This typical labor paper, in the same issue, publishes a platform, (expressive of the real viewpoint of the reactionaries) entitled, "Ten Commandments for Industry," of which the following, addressed to the workers, are a few gems:

"Thou shalt not permit any of thy members to place the union card above our country's flag.

"Thou shalt not deny to any man, at any time, in any place, the right to work as a free man and to receive wages as such.

"Thou shalt not demand for any worker a good day's wage in return for a bad day's service.

"Thou shalt honor and love thy government, for it is the people's government, the best ever devised by man, and there is none other like it in the world."

It is significant that these "Ten Commandments," which endorse wage slavery, exploitation, chauvinism, and scabbery, were later printed with fulsome praise in the official organ of the company union of the Union Pacific Railroad. The slogan of this company union is the time-honored right wing watchword, "A Fair Day's Pay for a Fair Day's Work." It takes an expert to find differences between the point of view of conservative trade unionism and company unionism.

Another typical labor paper, *The Philadelphia Progressive Labor World*, edited by the notorious labor faker, Frank Feeney, of Mulhall exposure fame, makes a good statement of the right wing policy in the following sloganized platform:

"Industrial peace, industrial cooperation, safe and sane unionism, progressive Americanism, a fair deal to employers, a fair deal to employees."

The right wing trade union leaders are saturated with religious prejudices, dividing themselves between Ku Klux Klanism and such Catholic organizations as the Militia of Christ and the Knights of Columbus. They demoralize the workers with their mutually antagonistic religious maneuvers in the unions. A blatant chauvinism, unequalled in any other labor movement, runs rife among them. Consider the following blurb from the Sept., 1926, *Typographical Journal*:

"We Americans are the luckiest people on earth. We are an uproarious, howling success—some envious ones in Europe call it a scandalous success (then follows a fervid recital of our great wealth and the statement that) we have more money than we really can use."

Or this typical nonsense from the official organ of the railroad unions, *Labor* of Oct. 2, 1926:

"*Labor* offers no apologies for basing its leading editorial on the Dempsey-Tunney match . . . it was a most satisfactory fight. Of the 115,000,000 people in the United States, at least 114,900,000 seem to have wanted Tunney to win. The reason is clear. When Dempsey stayed out of the war he damned himself. The American people will not forgive a slacker, and when the slacker is a professional fighter, his absence from the front is infuriating."

With no revolutionary outlook, without even a program of radical reformism, the dominant trade union leaders are visionless and un-idealistic. They look upon the labor movement not as a weapon for the liberation of the working class, but primarily as a means for themselves, personally, to gain an easy living. They are ignorant, corrupt, and narrowly materialistic. They are saturated with petty bourgeois conceptions. They have reduced to a science the selling out of the workers. They have bid a permanent good-bye to the work bench. Their plan is to get rich quick while the opportunity presents itself. They are all too often successful. The leaders of the American trade unions are not only "agents of the bourgeoisie in the ranks of the workers," as Lenin calls them, but also often petty capitalists themselves.

(b) The Program of the Right Wing

The policy of the right wing trade union leadership, headed by such as Green, Lewis, Lee, Hutcheson, Woll, etc., is one of collaboration with the employers. This is based upon the subordination of the interests of the workers to those of the capitalists and the degeneration of the trade union leaders into agents for putting the employers' policy into effect. In the past few years, as we shall see further along, this tendency has progressed so far that the employers, acting through the corrupted union leadership, are actually company-unionizing the trade unions: that is, devitalizing and degenerating them into little better than company unions.

At innumerable points the policy of the reactionary union leaders dovetails with that of the employers. The latter have

their two big political parties, with their conservative system of economics, legislative programs, etc. The right wing leaders accept this whole political program almost in toto. They strive to keep the workers bound to the two capitalist parties and to prevent them from developing a political organization and program of their own. They support the imperialistic policies of the employers. They are important cogs in the capitalist political machine.

The employers are usually willing to make some concessions to organized skilled workers in order to break up their solidarity with the unskilled. The right wing union leaders fall in line with this policy of the employers and base their own program upon it. Consequently they refuse to organize the great masses of semi-skilled and unskilled workers. They tend to restrict the unions to the skilled and to manipulate these at the expense of the less skilled. The history of the American labor movement is filled with the betrayals of the unskilled workers by the skilled.

The employers habitually play upon every division in the ranks of the workers in order to weaken their fighting capacity. They set off Americans against foreign-born, whites against blacks, employed against unemployed, men against women, adults against youth. And in all these maneuvers they have the tacit support of the reactionary union leaders. The latter constantly foment chauvinism and nationalistic hatred, they bar Negroes from the unions and discriminate against them in the industries, they abandon the unemployed,* they discriminate against women and young workers in the unions and in the shops—thus playing into the hands of the employers at every point.

It is a fundamental interest of the employers to speed up

*Characteristically, when the bituminous mine operators put forth the theory that there were too many miners, Lewis of the U.M.W.A., instead of demanding a shorter work day and work week to take care of the unemployed, agreed that there were 200,000 miners too many, and that they had to be squeezed out of the industry.

the workers as much as possible and thereby to exploit them the more. Although the tendency of the trade union movement everywhere from its inception has been to oppose this speed-up system, the trade union leaders during the past few years have yielded to it and are now working hand in hand with the employers, through the B. and O. plan and similar schemes, to drive the workers to still greater productivity. This surrender to the employers on the question of the speed-up is having the most profound effects in devitalizing the trade union movement, which will be explained as this book proceeds.

The employers are vitally interested in fighting against all developments toward class consciousness and militancy among the workers. In this the trade union leaders are their most loyal and effective allies. They are, if possible, even more rabidly opposed to revolutionary ideas and movements than many of the employers themselves. Their fanatical attacks against the left wing are unexampled in fury. They habitually allow themselves to be used as tools for the jailing and execution of militant leaders of the workers. In the Mooney-Billings case their record was one of cowardice and treachery from the beginning. It can be said that they are responsible for these militants remaining in jail. Their course was even worse in the world famous Sacco-Vanzetti case. They made no fight to save and free these labor martyrs. They contented themselves with merely adopting empty resolutions. In the critical weeks just prior to the execution, and with world labor aflame with protest and indignation at the approaching judicial murder, American labor leaders set themselves like flint against all strikes and mass demonstrations, which alone could have saved our martyrs. At the last moment they (A. F. of L., Chicago Federation of Labor, etc.) even sank to the depths of accepting the capitalist verdict of guilty against these comrades and proposed that their sentences be commuted to life imprisonment.

Summed up, the policy of the reactionary trade union leaders is to "cooperate" with (that is, to take instructions from) the employers and to refuse to fight them. They will not build up powerful mass unions nor infuse the existing organizations with a militant spirit. They destroy the solidarity of the workers and defeat their attacks against the employers. They confuse the workers with capitalist economics and bourgeois social conceptions. The result of their policy is to disarm the workers and to keep them exposed to an ever-increasing capitalist exploitation. In the truest sense they are agents of the capitalists.

(c) The Degeneration of the Right Wing

As American capitalism has gradually become consolidated and expanded into imperialism, the trade union leadership has fallen more and more under the sway of the employers. Never was capitalism in this country so strong, and never were the trade union leaders so subservient to it as now. The employer policy of controlling the trade union leadership has been eminently successful.

In the early days of capitalism in the United States, as in all other countries at a similar stage of development, the trade union movement was radical, if not definitely revolutionary. All the organizations were shot through with a fighting spirit. Especially was this the case during the period of great industrial expansion beginning a few years after the close of the civil war and running into the nineties when years of rapid industrial growth were alternated with years of devastating crises. This was an era of struggle, the bitter 1877 railroad strike, the spectacular rise and struggles of the Knights of Labor, the great 8-hour movement of 1885-6, the American Railway Union strike, the Homestead strike, etc., being typical of the militant and revolutionary spirit of the times.

Aside from outstanding ultra-reactionaries such as Pow-

derly of the K. of L., the union leadership of the time quite generally reflected the aggressive mood of the workers. Nearly all were socialists or anarchists. Thus was a typical statement from W. H. Sylvis, founder of the National Labor Union and the Iron Molders Union, delivered in his union convention in 1865:

"Let me say to those who hold such language, and who are endeavoring by such means to frighten us into submission, that we are terribly in earnest, and that, sooner than turn back from the point we have reached, and the course we have marked out, we will accept the fearful issue. To us, this question is something more, something dearer, than constitutional ties or church relations or country itself, and the sooner those who are, by means the most dishonorable, attempting to destroy our organization come to understand our true feelings, and what we mean, the better it will be for all concerned."*

Even Sam Gompers in his early days made pretenses to radicalism. In a letter to the *National Labor Tribune* in 1875 he said:

"Every political movement must be subordinate to the first great social end, viz., the economic emancipation of the working classes. . . . Many persons hostile to the cause of labor have sought to bring this radical labor movement into disrepute by asserting that the movement is French, German, or Russian, but nothing could be further from the truth."

Twelve years later in the *New York Leader* of July 25, 1887,** Gompers expressed himself as follows:

"While keeping in view a lofty ideal, we must advance towards it through political steps, taken with intelligent regard for pressing needs. I believe with the most advanced thinkers as to ultimate ends, including the abolition of the wage system."

In the controversy between Marx and Lasalle on the role of the workers' political and economic organizations in the class struggle, Gompers, already the spokesman of a large body of trade unionists, supported Marx in his own way. He

**Biography of W. H. Sylvis*, p. 131.

**John R. Commons: *History of Labor in the United States*, Vol. II, p. 458.

denies, however, that he was ever a member of any revolutionary organization, stating that the Republican Party was the only party he ever belonged to, and that that was in his youth. On p. 82, Vol. 1 of his book, *Seventy Years of Life and Labor*, he says:

"Marx did not beguile himself into thinking that the ballot was all powerful. Perhaps the severest critic of socialism was Karl Marx and his denunciation of the socialists in attacking trade unionism has no superior even in our own time. He grasped the principle that the trade union was the immediate and practical agency which would bring wage earners a better life. Whatever modifications Marx may have taught in his philosophical writings, as a practical policy he urged the formation of trade unions and the use of them to deal with the problems of the labor movement."

Gompers said many times that he learned German in order to read Marx's "Das Kapital." He professed a high regard for Engels, who at the time was following very closely developments in the United States. In his autobiography Gompers says (p. 388, Vol. 1), "I wrote a letter to Fred Engels, whom I regarded as a friend of the labor movement."

Marx placed the proper emphasis upon both political and economic organizations and activities. But Gompers greatly underestimated political action and organization. Quoting an early document by himself (*Seventy Years of Life and Labor*, Vol. 1, p. 385), he says:

"I cannot and will not prove false to my convictions that the trade unions pure and simple are the natural organizations of the workers to secure their present practical improvement and to achieve their final emancipation."

Here Gompers clearly indicates the beginnings of his later policy of crass trade union opportunism. His views were shared by the budding group of trade union leaders. Speaking of this period, David J. Saposs says:*

"From merely at first minimizing politics and cooperation they

**Left Wing Unionism*, p. 19.

(the Gompersites) began to condemn these activities entirely, in order that trade union action might not be obscured."

Yielding to the corrupting influences of expanding capitalism, the Gompers trade union group gradually drifted more and more into opportunism. Gradually they broke with the Marxians, the Lasalleans, and the anarchists. Pure and simple trade unionism, ignoring and rejecting the revolution and concentrating solely upon immediate demands, became the program of the dominant trade union leadership. From weak and indifferent advocates of reformist conceptions of the revolution, the Gompersites degenerated into rabid opponents of it.

The march of the trade union leadership to the right under the pressure and bribery of the employers was quickened in the years of reaction following the execution of the anarchist leaders of the great labor upheaval of 1885-7. It has continued apace ever since. In all these years the economic situation quite generally favored the development of the opportunistic program and handicapped the growth of a revolutionary labor movement. Capitalism, except for an occasional set-back, has gone steadily upwards, building an enormous system of industry and reaching its tentacles out to conquer the world's markets. The employers have been able to furnish the workers relatively continuous employment. Wages and living standards, in comparison with those in other countries, have been favorable, especially for the upper layers of the working class. Out of their gigantic profits the employers could throw a few sops to the more skilled workers, enough to take the sharp edge off their discontent. The whole era was one adapted to reformism, and the opportunistic trade union leadership, rooted in a very fertile soil, flourished. Says Engels in *Landmarks of Scientific Socialism*, p. 179:

"As long as a method of production is in the course of development, even those whose interests are against it, who are getting the worst of this particular method of production, are highly satisfied. It was

just so with the English working class at the introduction of the greater industry."

During this long period the employers consciously and assiduously followed their program of establishing an influence and control over the conservative trade union leadership. They did this negatively by trying to crucify such militant leaders as Irons, Parsons, Debs, Haywood, etc., and positively by pouring out their many favors upon such pliant tools as Powderly, Gompers, Lee, Mitchel, Lewis, etc. They have succeeded with their policy. They have subjugated the trade union leadership almost entirely into their service, and have made these workers' "leaders" into loyal defenders of the capitalist system. Especially is this so since the end of the ill-fated railroad shopmen's strike in 1922. Since then, as we shall see further along, the heads of the unions have degenerated so fast and so far that now in many cases they are little better than Fascist agents, whose function it is to dragoon the working masses into still deeper and more helpless slavery to the employers.

As the years proceeded industry became more and more mechanized, the employers, with vastly increased accumulations of capital, constantly combined their forces, industrial, financial, and political. Manifestly the unions should have responded to these capitalistic developments by amalgamating their forces, broadening out to take in the unskilled and by launching a mass labor party. But the Gompers bureaucrats, tools of the employers, bitterly and successfully combatted such tendencies. They disarmed labor in the face of its enemies. They are largely responsible for the present crisis, with the antiquated unions retreating on every front before the aggressive and well-organized capitalists.

3. THE SOCIALISTS AND THE PROGRESSIVES

The so-called "middle" group in the American labor movement, standing between the ultra-reactionary right wing

bureaucracy and the left wing, is made up of the socialists and the "Progressives." That this group, like the right wing leadership, is falling more and more under the control of the employers is shown by an analysis of its position and development.

The Gompers group organized the A. F. of L. in 1881. But it did not actually become firmly established until after the big movement of 1885-7 and the decline of the Knights of Labor as a mass union. Representing, primarily, the skilled workers and carrying on a policy of compromise at the expense of the unskilled, the Gompersites drifted rapidly into the swamp of opportunism. The radical opposition to this treacherous policy began to rally around the Socialist Labor Party. It soon assumed large proportions. At the 1893 convention of the A. F. of L., the socialists, under the leadership of T. J. Morgan, forced the adoption of a program demanding, among other things, "the collective ownership by the people of all means of production and distribution." In the 1894 convention, however, the Gompersites defeated the socialists and repudiated the action of the previous convention, although the bitter fight cost Gompers the presidency for a year.

This defeat, following upon the reverse previously suffered by the left wing in the New York Assembly of the Knights of Labor, cast discouragement into the ranks of the socialists and led the left wing of the party, headed by De Leon, into the error of dual unionism. De Leon's theory was adopted that the old trade unions were hopelessly conservative and that separate revolutionary unions had to be founded. This false theory dominates the S. L. P. until this day. From 1901 on the left wing in the newly-organized Socialist Party continued the mistaken theory of dualism and clung to it for another 20 years. Consequently many dual unions were organized, chief among them being the I. W. W. Practically all of them were still-born, despite heroic and devoted efforts to establish them.

The general result of this dual unionism was, on the one hand, to separate the militants from the masses and to isolate them in sterile sectarian unions, and on the other hand, to surrender the old trade unions to the control of the Gompers bureaucracy which thus had a free field to apply its reactionary program. This disastrous policy was continued by nearly the whole left wing until about 1921, when under the influence of the writings of Lenin and the decisions of the Communist International and the Red International of Labor Unions, the militant elements began to abandon dual unionism and to work in the old unions.

During all these years the right wing of the Socialist Party had agitated spasmodically and planlessly in the old unions. But, weak and opportunistic, it had no real understanding of the vital importance of winning the unions as the base for the Socialist Party, and it made no active fight to eradicate dualism in the Party or to overthrow the Gompers bureaucracy in the unions. The S. P. failed to work out a definite trade union policy. While its left wing followed a program of dual unionism its right wing pursued an anaemic boring from within. This mistake which divided the Party against itself and led to its isolation from the masses, was one for which the Party eventually paid dearly.*

The general policy of the S. P. opposition in the A. F. of L. was to be summed up in proposals to commit the trade unions to the broad principles of socialism, to establish a workers' mass political party, to democratize the unions, to eliminate the corrupt leadership, to organize the unorganized, to build the craft unions into industrial unions, and to reject class collaboration as typified by the National Civic Federation.

Notwithstanding the unfavorable objective situation,

*Another factor leading to the isolation of the S.P. and weakening its fight against Gompers was the abandonment by the Socialists, for many years, of the movement for the trade unions to establish a labor party. This is discussed in a following chapter.

which did not make for the rapid revolutionizing of the masses, and despite the failure of the S. P. definitely to eliminate dualism and to rally its full forces for the struggle against Gompersism, some progress was made. Gradually the socialist opposition assembled a block of unions under its control, including the Miners, Machinists, Painters, Bakers, Brewery Workers, Needle trades, Metal Miners, etc. At the 1912 convention Hayes, the socialist candidate for President of the A. F. of L., polled 5073 votes against Gompers' 11,974. The Socialist Party, then a mass movement of 110,000 members and polling 1,000,000 votes, became a great power among the rank and file of the unions. With a determined and intelligent leadership it could have defeated Gompers and secured the upper hand in the A. F. of L.

But the world war shattered its prospects. The great issue before the labor movement was whether it should support the war, as Gompers and his clique demanded, or oppose it, as the S. P. platform called for. The matter was not long in doubt. The Gompers bureaucracy, controlling the mechanism of the unions and animated by a rabid chauvinism, readily swung them into the slaughter. The socialist leaders made no fight for the official anti-war program of their party. This constituted a surrender to Gompers. This failure of the S. P. to fight Gompers on the war issue and to make a determined fight generally on the question of war resulted not only in a crushing defeat for the S. P. in the unions, but it also, in combination with the party's general opportunistic policy, was a determining factor in the big communist split in 1919, which took the life and soul of the party, and which led to the eventual formation of the Workers (Communist) Party.

Then the Socialist Party began to pay a high price for its long years of wrong policy in the trade unions, for its failure to muster its forces and capture the A. F. of L. when it had the opportunity. The victorious Gompers machine attacked

it all along the line and practically annihilated it. In such organizations as the Miners Union, which the S. P. once controlled, it is completely shattered and is now hardly a memory. Even in the needle trades its hold is fast weakening. The Party's membership has melted away rapidly, until now it is not 10% of what it was in 1912. Its organization has been wiped out in all important centers except New York. Its influence in the trade unions and among the workers at large has diminished almost to the vanishing point. It has suffered a real debacle.

(a) *The Surrender of the Socialists*

As their party collapsed the socialists abandoned the policy of opposition to the old Gompers machine and progressively surrendered to their erstwhile bitter opponents. D. J. Saposs, in *Left Wing Unionism*, pp. 37-39, says:

"After the world war the socialists' boring from within policies and tactics were completely reversed. Both in their union and political activities they have ceased forcing their point of view. Instead they aim to sue for the confidence and good-will of the entrenched labor leaders."

"This new political alignment of the socialists with the administration forces marks the end of their leadership of the opposition in the labor movement. They have abandoned the role of initiators of new issues for the labor movement. They are no longer the center of the aggressive opposition."

In surrendering to the Gompers bureaucracy the socialist leaders gradually abandoned their general program. They have dropped their advocacy of industrial unionism and have turned into rabid opponents of amalgamation. They denounce the Soviet Union. No more do they demand the democratization of the unions. They have completely given up their once active strike policy. They make no war against rampant union corruptionism; in fact many of their own officials, especially in the needle trades, have become saturated

with corruption. Large numbers of them have become cogs in the machines of the two old capitalist parties. As a whole, the socialist leaders accept and defend the B. and O. plan, trade union capitalism, the Watson-Parker Law, and the entire new orientation of the labor bureaucrats towards elaborated and intensified class collaboration. The revolution is a mockery in their mouths. Blithely they unite openly with either the right wing or the employers or both to fight against the left wing. They were the initiators of the expulsion policy in the American labor movement. About all that is left of the former socialist program in the unions is a weak-as-dish-water advocacy of the labor party and nationalization of the basic industries. They have degenerated into a yellow brand of "Progressives." They have been domesticated by the employers.

Gone is the one-time cutting socialist criticism of the reactionary labor leadership. At the Cleveland 1922 convention of the Socialist Party, Hillquit sounded a keynote when he said: "I cannot believe that the labor leaders are fakers. They are honest and as wise as their followers." Toadying to the reactionary officialdom is now the S. P. policy. Schlesinger, then the socialist head of the International Ladies Garment Workers Union, went as far as to present Gompers with a bronze bust, meanwhile proclaiming him the greatest labor leader in the world, while the erstwhile socialist opposition applauded lustily. Even the fiery Debs, who in previous years had made the welkin ring with denunciation of the conservative union leaders, greatly subsided in his last years and dropped his scathing criticism.

The right wing leaders of the A. F. of L. were quick to welcome this surrender of the socialist opposition. When Walling, Spargo, Wright, Russell, and others split with the S. P. during the war they were received by Gompers with open arms, and they have ever since felt quite at home. And when the socialist leaders began this latest movement of

surrender they also were similarly welcomed into the sacred fold of the ruling bureaucracy. Gompers initiated a policy of broadening the base of the official family to include the renegade socialist trade union leaders. One of the first signs of this was the election of Schlesinger of the I. L. G. W. U. as fraternal delegate to the British Trade Union Congress immediately after he and the entire S. P. delegation had voted against the whole left wing program at the Cincinnati convention of the A. F. of L.

President Green is continuing and intensifying Gompers' policy of absorbing the socialists. More and more he draws them into the ranks of the elect. The *American Federationist*, which for many years was flooded with attacks against the socialists, has ceased this campaign and directs its onslaught entirely against the new opposition, the left wing organized in and around the Workers (Communist) Party and the Trade Union Educational League. James Oneal, Editor of the *New Leader*, greets Green's absorption policy enthusiastically, saying:*

"With the passing of Gompers there are many who hoped that the old antagonism, having its origin in a past issue now forgotten, would give way to a tolerance at least as generous as that shown by Mr. Gompers himself some thirty years ago. Present tendencies of the American Federation of Labor indicate that this hope may be fully justified in the coming years."

Where socialists control international unions, principally in the needle trades, their policies are almost indistinguishable from those of the old Gompers reactionaries. And, as for the old-time socialist minority oppositions in hide-bound conservative unions, they have either disintegrated altogether or been absorbed into the reactionary administrations. In the Miners' Union, for example, the body of former socialist officials has gone over almost 100% to the reactionary Lewis

*David Saposs: *Left Wing Unionism*, p. 47.

machine. Some of the most corrupt members of this machine were formerly socialists.

Lenin, in his *Infantile Sickness of "Leftism" in Communism*, correctly lumps Gompers together with the socialists Legien, Henderson, *et al*, as Mensheviks. American left wingers must realize the significance of this. Too long has there been a decidedly wrongful tendency to draw a sharp line between the ultra-reactionary and socialist trade union leaders, as though there were a fundamental difference between them. But the present surrender of the socialists shows that despite their revolutionary phraseology and the blatant reactionism of the Gompersites both groups are brothers under the skin. The differences between them are not decisive. Both groups are reformist. Both are defenders of the capitalist system against the attacks of the masses led by the left wing. The Gompersites are simply more frank in their defense of capitalism.

(b) The Rise and Decline of the Progressives

During the latter stages of the world war the so-called progressives began to develop as a distinct group in the trade union movement. Their rallying slogan was for independent political action by the trade unions, the more conservative among them interpreting this slogan by an intense application of the traditional non-partisan political policy, or the founding of a petty bourgeois third party, and the more radical of them demanding the formation of a labor party. The rise of the progressive group was simultaneous with the decline of the Socialist Party. It was a manifestation of the decadence of the S. P., a sign that the latter was no longer the symbol and standard bearer of the movement for a mass party of the workers. The progressives were thrust forward as leaders in the great movement then beginning to stir the workers, under pressure of the heavy employer attack.

The progressives advocate a brand of very weak and yellow

socialism. Many of their leaders are ex-socialists. They actively promote an alliance between the workers, the farmers, and the petty bourgeois elements generally. Intellectuals play a large role in their movement. They advocate nationalization of the railroads, mines, and a few other basic industries. They demand the curbing of the power of the trusts in industry and in government. Their program of legislation is more comprehensive than that of the so-called Gompers group. They follow and accept the world imperialist program of American capitalism with the criticisms and modifications of the liberals, such as LaFollette, Borah, etc. Many are friendly to Soviet Russia. The more advanced elements among them accept amalgamation and favor the organization of the unorganized. The progressive movement represents an effort primarily to establish independent working class political action on a base to the right of the traditional Socialist Party program.

The progressives have their strongholds in many minor international unions, state federations, and city centrals. Their greatest definite crystallization was in and around the 16 railroad unions. But behind the progressives in their days of greatest strength and militancy, 1918-23, undoubtedly stood the bulk of the workers in all the trade unions. Wm. H. Johnston, President of the International Association of Machinists, was the outstanding leader of the right wing of the progressives, and John Fitzpatrick, President of the Chicago Federation of Labor, stood at the head of the more radical elements. The Socialist Party strove to set itself up as the organized leading group in the whole progressive movement. The fate of the progressive movement, political and economic, was bound up with that of its great base, the 16 railroad unions.

From 1917 till 1921 the railroad unions made rapid progress in strength, militancy, and ideology. They built their organizations from mere skeletons to a gigantic body of

1,500,000 workers all told. They broke with the traditional policy of isolated craft action, set up a maze of federations, and got so far that all 16 were marching together under one head on many issues. They cast aside the old A. F. of L. endorsement of private property of the basic industries and endorsed the Plumb plan of government ownership. They progressively severed their relations with the two old parties, setting up the Conference for Progressive Political Action, which mobilized approximately 3,000,000 workers and farmers and constituted the greatest mass political effort ever made by the American working class. The railroad unions quickly rallied around them all that was healthy and progressive in the trade unions. They menaced Gompers' control, dealing him a heavy defeat at the 1920 convention of the A. F. of L. in Montreal on the issue of the Plumb plan. The prospects seemed bright once more for labor to free itself of the black Gompers regime.

Then came the great post-war offensive of the railroad companies against the railroad unions, which was part of the general attack of the employers on the whole labor movement. The craft union leaders refused to fight and sought safety in a policy of retreat. The companies, beginning about 1920, pressed the issue, attacking the unions at all points. Finally they forced the great national strike of the railroad shop men in 1922. The union leaders terrified and panic-stricken, criminally permitted, or forced, nine of the sixteen unions to remain at work while the others struck. The result was an overwhelming defeat for the shopmen and railroad labor as a whole. This disastrous defeat cost the railroad unions at least 700,000 members. It broke the backbone of railroad unionism. Then the progressive leaders plunged into a still more hasty retreat. They dissolved their federations. They repudiated the Plumb plan. After the defeat of La Follette in 1924 they liquidated the C. P. P. A. and ran, publicly penitent, back to the old capitalist parties.

They gave up their active fight against the Gompers clique. They originated and became aggressive champions of the B. and O. plan and trade union capitalism. They plunged into the whole movement initiated in that period for intensified class collaboration, a movement which tends to company-unionize the trade unions and to reduce them to mere auxiliaries of the employers.

The "left" elements among the progressives under pressure of this defeat and an intensification of class collaboration by the employers, beat a no less hasty retreat to the right. Fitzpatrick conveniently broke with the Workers (Communist) Party in Chicago in 1923 over the question of the immediate formation of a labor party. He later threw himself into the arms of the reactionaries. He has repudiated amalgamation. Soviet Russia has become anathema to him. He is now one of the most rabid "red" baiters in the country. He has completely abandoned the fight for the labor party and supports candidates on the tickets of the two capitalist parties in the most approved Gompers style. Fitzpatrick has made his peace with reaction and many other "left" progressives have done the same.

The progressive forces are now demoralized. Most of their leaders have fled to the right, casting aside their program as they ran. The minor leaders and the masses who follow the progressive cause, betrayed by their leaders, were plunged into a chaos and depression from which, in united front movements with the left wing, as in the recent election slates in the Miners, Machinists and Carpenters Unions, they are just beginning to emerge.

4. THE LEADERSHIP'S GENERAL DRIFT TO THE RIGHT

To summarize briefly the foregoing: The controlling bureaucrats, the old Gompers clique under the new leadership of Green, the whole history of which is a more or less con-

stant drift to the right, of a tendency for them increasingly to become the agents of the employers in the ranks of the workers, have now surrendered to the employers almost entirely. They have abandoned the strike in theory and practice, and are steadily degenerating the trade unions in the direction of company unionism. The socialists, for 40 years the opposition of the Gompers leadership, have practically given up the fight. They have bled their program white and are seeking and receiving the favor of the ultra-reactionaries, which means also the favor of the employers. The progressive leaders defeated and demoralized, have been swept along with the general wave of reaction into the right wing camp, though from time to time sections of them develop opposition to the extreme right wing policies of Green, Woll, *et al.*

All three sections of the trade union leadership, Gompersites, socialists, and progressives, are today far to the right of what they were five years ago. And under the great pressure of the forces released by American imperialism they are still travelling to the right. They yield more and more to the corrupting influences of the employers. The worst forms of labor fakerism spread among them. Only the left wing in the Workers (Communist) Party and in and around the T. U. E. L., which as yet holds but few official posts in the unions, makes a real effort to unite the working masses for struggle against the employers. The employers may well gloat over the success they have had of making concessions to certain categories of workers in the shape of wages, hours, welfare systems, etc., and of directly and indirectly bribing the labor officials. They are systematically company unionizing the unions and bringing the trade union leaders into their service as assistants in the task of exploiting the workers.

The drift of the trade union leaders, ultra-reactionary, socialist, and progressive, to the right is necessarily accompanied by an increasing abandonment of the defense of the interests of the great mass of workers. This provokes a wide

discontent, especially among the armies of semi-skilled and unskilled workers both organized and unorganized, whose cause is especially sacrificed. Under the stimulation of the left wing these workers demand of their official leaders to fight against the employers, a demand which grows and which will be enormously increased with the growth of the industrial crisis. Consequently far-reaching upheavals take place in the unions. A bitter fight develops between the right wing, which betrays the workers' interests, and the left wing, supported by many progressives and masses of the rank and file, which defends these interests.

This fight between "rights" and "lefts" is a vital aspect of the present labor situation. But all this is a subject for later chapters. Here our purpose has been to show the corruption and systematic domestication of the trade union leadership by the employers. Our next task will be to indicate in detail the class collaboration schemes through which the capitalists corrupt and use the reactionary labor leaders to their own advantage, and how disastrously this affects the interests of the workers.

CHAPTER II

CLASS COLLABORATION

Between the working class and the capitalist class there rages an inevitable conflict over the division of the products of the workers' labor. This struggle reflects itself in class viewpoints and class movements in every phase of social life; in politics, industry, education, art, literature, etc. The theory of class collaboration denies this basic class struggle. It is built around the false notion of a fundamental harmony of interests between the exploited workers and the exploiting capitalists. It seeks the will-o'-the-wisp of class peace, of a cessation of the struggle between workers and capitalists.

Class collaboration can be practiced only at the expense of the workers. All those tendencies and organizations, whether originated by the employers or the labor leaders, making up the class collaboration movement, constitute but so many different ways of subordinating the interests of the workers to those of their employers. Class collaboration, the method of reformists in their hopeless efforts to patch up capitalism, presupposes the surrender, partial or complete, of the workers to the employers. It devitalizes the workers' organizations and degenerates their leaders into agents of the bourgeoisie. It is the road to defeat. But class struggle, the method of aggressive resistance to the exploiters, is the road to the abolition of capitalism, to the emancipation of the working class.

1. PRE-WAR CLASS COLLABORATION

From time immemorial there have been strong reformist tendencies in the American labor movement. These have

manifested themselves through a vast variety of forms of class collaboration, all of which have tended to hinder the development of the workers and their organizations. They have been so many fetters binding the workers to the wage slavery imposed upon them by the capitalists. The drift of the labor leadership to the right can be measured by the elaboration and intensification of the forms of class collaboration. Here it is our task to point out the principal aspects of class collaboration prior to the world war, during and after which great upheaval class collaboration took on many new and significant forms.

Although the socialists and Gompersites tend more and more to unite upon a common acceptance of present-day class collaboration, the differences between them in this respect were quite marked before the world war. In that general period the socialists, especially the left sections, although the party followed a basically opportunistic policy, made at least a show of repudiating the present social system and did a lip service to the revolution. They carried on a relatively militant strike policy; they condemned the corruption and graft of the Gompersite leaders; they propagated the consolidation of labor's forces into industrial unions; they broke with the two capitalist parties and advocated the formation of a separate political party of the workers; they condemned the crassest forms of class collaboration.

The Gompersites, on the other hand, fully accepted capitalism. They sought simply to improve the conditions of the workers within the framework of the existing system of society. Consequently they lent themselves to class collaboration in many forms with the employers. They preached capitalist economics to the workers and tried to smother every manifestation of class consciousness. They cultivated petty bourgeois democratic illusions among the workers, teaching them to look upon the state, not in its reality as an instrument of the employers to oppress the workers, but as a classless

benefactor of all ranks in society. They were rank patriots, and ardent religionists. They accepted the capitalist political parties as fit defenders of the workers' interests and they fought militantly against the formation of a separate workers' party. This was one of the most disastrous features of their class collaboration and will be dealt with under a separate head. They aimed to make friends with the employers, agreeing with them on the sacredness of union agreements (when they operated against the workers' interests) and for discrimination against the unskilled, women, Negroes, and the youth. They were true "agents of the bourgeoisie in the ranks of the workers."

Class collaboration was the breath of life to the pre-war Gompers bureaucracy. In furthering this policy they developed many organizations and practices, a few of the more important of which are herewith mentioned.

(a) The National Civic Federation

The first general crystallization of the class collaboration movement in its various aspects, political, industrial, educational, etc., was the National Civic Federation. This organization, which still flourishes, was conceived by Ralph Easley and sponsored by Mark Hanna, the notorious Republican politician of a generation ago. It consists allegedly of three sections; the employers, the public, and the workers. The first two groups, which in reality are one, include many of America's greatest capitalists, such as the Morgans, Guggenheims, Dodges, DuPonts, Ryans, Speyers, Willards, Hammonds, Belmonts, etc. From the outset Gompers and the reactionary clique in the A. F. of L. and Railroad Brotherhoods gave it their enthusiastic support. At present the "labor" representatives consist of such ultra-reactionaries as James Duncan, Frank Feeney, M. J. Keough, W. G. Lee, W. D. Mahon, D. B. Robertson, L. E. Sheppard, A. J. Chlopek, P. J. Brady, D. L. Cease, etc. William Green is an ardent

supporter of the N. C. F. and Matthew Woll, a close friend of Easley's, is its Acting-President.

From its inception the National Civic Federation proceeded upon the theory of controlling the trade union movement through the bribery and domestication of its leaders, rather than by attempting to smash it outright in direct struggle as many employers proposed. Hence, a necessary point in its program was a hypocritical recognition of trade unionism. This it gave, tongue-in-cheek, although most of its capitalist members absolutely refused to deal with unions in their shops. But such "recognition" by the N. C. F. was the bait required to lure the labor officials. For a time the N. C. F. because of this pretended "recognition" was attacked by the National Association of Manufacturers, and other militant "open shop" organizations, but the methods of the N. C. F. in crippling the labor movement have proved so effective that this opposition has died out.

The National Civic Federation constitutes an aggressive alliance between the employers and the reactionary labor leaders against everything progressive and revolutionary in the labor movement. For many years the N. C. F. was the instrument for the struggle against socialism in the unions, and among the workers generally. It led militantly the fight against the recognition of Soviet Russia, and it is now the principal center in the fight against communism in this country. The N. C. F., with the collaboration of the labor officials, has made war on the labor party and against progressive labor legislation of all sorts. Now it is an instrument through which Green, Woll, and their reactionary cronies are advocating the destructive program of "co-operation" between the unions and the employers for the speeding up of the workers in industry, which means to degenerate the unions into mere appendages of the employers' producing organizations.

The poisonous effects of the National Civic Federation upon the labor leadership are incalculable. This organiza-

tion has led to the setting up of innumerable illicit relationships between the workers' leaders and the employers, constituting so many forms of bribery and corruption and which, reduced to terms of the labor struggle, have meant lost strikes, political weakness, and general demoralization for the workers. When the Socialist Party still retained some vitality it opposed the N. C. F. In 1910 and 1911 conventions of the U. M. W. A. resolutions were adopted bitterly condemning the N. C. F. as "an auxiliary of the capitalist class in the exploitation of the workers and as an agency to further fasten the fetters of wage bondage upon the limbs of labor" and compelling the resignation of John Mitchell from that body. In the 1911 A. F. of L. convention the socialist opposition resolution against the N. C. F. was defeated by a vote of 11,851 to 4,924. But since the surrender of the S. P. to the A. F. of L. bureaucracy it has ceased its fight against not only the N. C. F. but also the whole class collaboration program which it incorporates.

(b) The American Railway Employees and Investors Association

One of the most outstanding class collaboration movements in the period just prior to the world war was the American Railway Employees and Investors Association. The A. R. E. & I. A. was formed in Chicago after the settlement of the 1907 western wage movement. The public leader of the movement was P. H. Morrissey, then head of the Brotherhood of Railroad Trainmen. The real backers were the railroad companies. The organization was formed "quietly," without the knowledge of the union membership, at a conference of the heads of the railroad unions and of various big railroads. It was organized with a definite constitution, enlisting a dues-paying membership in addition to accepting the affiliation of railroad unions and railroad companies. The organization was headed by a joint committee of railroad

company officials and railroad trade union leaders. Stone, Lee, Carter, Garretson, and the other big chiefs of the Brotherhoods were deeply in the scheme.

The objects of the A. R. E. and I. A. were set forth in its constitution as follows:

"The purposes for which this organization is formed: By all lawful methods to cultivate and maintain between its members such a spirit of mutual interest and such concern on the part of all of them for the welfare and prosperity of American railroads as will best promote their success and profitable operation. To publicly provide means and methods for obtaining consideration and hearing from all legislative bodies and commissions empowered to enact laws, rules, and regulations affecting the conduct and operation of the railroads."

The real meaning of the movement was the building of a great lobby, backed by the railroad companies and supported by the leaders of 1,600,000 railroad workers, to fight for the interests of the railroad companies, by securing higher freight and passenger rates, by blocking hostile legislation (much of which came from the unions themselves) etc. In return for this subserviency to the companies' interests the workers were supposed to receive favorable consideration in the matter of wages.

This elaborate project, supported by a big field organization, mass meetings, etc., came to a crash in the 1909 convention of the Brotherhood of Railroad Trainmen. The delegation, led by A. A. Roe and other militants, perceiving the poisonous betrayal of their interests in the A. R. E. and I. A., rose en masse and killed it. Lee, the new head of the B. of R. T., was forced to quit the scheme, Morrissey's influence among railroad workers was ruined, and Stone, Garretson, Carter, *et al* had to run to cover. The whole thing blew up completely.

In the combination of railroad union leaders and railroad officials that lately secured the passage of the Watson-Parker law, which ties the railroad unions hand and foot and subju-

gates them to the control of the employers, there is the same spirit of class collaboration, poisonous to the leaders and destructive to the workers' interests, that animated the repudiated A. R. E. and I. A. The Watson-Parker law combination is a much more successful attempt of the railroad companies to paralyze the unions through their reactionary and corrupted leadership. It also was conceived and adopted behind closed doors without the knowledge or consent of the membership.

(c) Participation in Employers' Organizations

A demoralizing class collaboration practice, prevalent in pre-war times as well as now, is the affiliation of labor bodies, especially central labor councils, to employers' Chambers of Commerce and similar organizations. This was encouraged by Gompers. It has been the means of widespread corruption of labor leaders by the development of illicit relations between them and the exploiters. Thus the reactionary leaders enthuse over such affiliations in the *Cleveland Federationist* of Jan. 15, 1925:

"To see the relative workings of the Chamber of Commerce and the labor unions here in this abode (St. Petersburg, Fla.) does the heart good. You see the labor leaders and the Chamber of Commerce helping each other, working hand in glove, neither trying to put the other out of business. If St. Petersburg and many other cities are successful in this principle why can't our fair city do the same thing? We know it will and must come."

Akin to this is the admission of employers and politicians into the unions. This is practiced more widely than is commonly known, many class enemies of the workers, especially big politicians, being honored by membership in the unions. Roosevelt was a member of the B. of L. E., likewise former Mayor Hylan of New York. Wilson held a card in the Bricklayers Union by special action. McKinley was a

"union" stone mason, and Taft held a membership in the Steam Shovelmen's Union. Likewise, Governors and Mayors galore are members of unions. Berry of the Pressmen, on Sept. 18, 1924, went so far as to make the Prince of Wales a member of his organization, for which the Prince sent a small donation to the Pressmen's Home. At the Budapest, 1911, meeting of the International Trade Union Secretariat when I protested against this practice as demoralizing to the workers, Jim Duncan, A. F. of L. delegate, defended it and scorned me as man so low as to object to the President (capitalist) of his country being a member of his union.

(d) Class Collaboration Union Agreements

Even as now, the trade union agreement practice of the Gompersite leaders in the pre-war period was saturated with class collaborationism. In such agreements these leaders played into the hands of the employers shamelessly. They propagated religiously the false theory, profitable only to the employers, that the agreements were to be sacredly adhered to regardless of their violation by the employers and regardless of their standing in the way of class solidarity with other workers. One of the great tragedies of the American trade union movement is the established practice of signing craft agreements and then using them as justification for the workers concerned to remain at work while their brothers in affiliated trades are on strike. This has caused the loss of scores of strikes and has worked tremendously against developing solidarity among the masses. The Gompersite leaders also endorsed the policy of long term agreements which, by tending to check the fighting spirit among the workers and to prevent strikes, are favorable only to the employers. The reactionaries cultivated the illusion that union agreements, instead of merely changing the form of struggle against the employers, actually suspend it while they are in force. Such wrong theories and practices, based upon a general policy of

class collaboration, greatly hindered the development of the labor movement.

A destructive type of labor agreement was the airtight combination of union leaders and employers commonly used in the building trades. The essence of this kind of agreement, still widely practiced in spite of all attempts to suppress it, is an agreement by the bosses to employ only union workers, and by the labor leaders to furnish workers only to the organized contractors. The practical effect is to give the employers concerned a rich monopoly in the local building situation, outside competition being excluded. The labor leaders become a sort of minor partners in this hold-up scheme. It throws wide open for them the doors to graft and corruption of every kind. Its effects are deadly to the building trades and the local labor movements generally.

(e) The Union Label

The use of the union label by labor organizations often degenerates into rank class collaboration. There are 51 International unions with union labels and 10 with house cards. Most of these unions make only a limited use of the union label. Some, however, such as the Boot and Shoe Workers Union, base their policy primarily upon the use of the union label. They induce the employers to put the label on their products, thus securing to these employers the patronage of the "label conscious" elements in the labor movement. In return, the bosses permit the union leaders to maintain a semblance of organization through a compulsory check-off, with the understanding that there will be no "unreasonable" demands from the workers. This arrangement constitutes a definite alliance between the employers and the labor leaders against the workers. Unions thus basing themselves upon the union label inevitably degenerate into semi-company unions. They become instruments for the exploitation of the workers and for the maintenance of a parasitic bureaucracy.

A classical example is the Boot and Shoe Workers Union. This organization is a tool of the employers. In shops controlled by it the workers do not consider it a real union. But they are compelled to belong to it by the employers. Often they look upon the officials (whom they call "gas meters" because they drop them their quarters weekly) as agents of the bosses. These officials condone whatever conditions the employers see fit to impose upon the workers. This was the cause of the big 1923 strike of shoe workers in Brockton, Mass., stronghold of the Boot and Shoe Workers Union.

A condition of semi-peonage existed in the Brockton shops. The union officials did nothing to improve matters. Finally the intensely exploited workers declared an "outlaw" general strike. This was directed as much against their union officials as against the employers. The workers demanded the right to form an independent union. They immediately found themselves confronted with a solid strike-breaking combination of employers, Boot and Shoe Workers Union leaders, city officials, and the daily press, which furnished scabs and practiced terrorism until, after a long and bitter struggle, the strike was broken and the workers driven back into the shops and into the B. & S. W. Union. This was the union label carried to its logical conclusion. The history of the United Garment Workers, another basically union label organization, is on a par with that of the Boot and Shoe Workers.

(f) The Labor Press

A devitalizing phase of the general class collaboration policy of the Gompersite leadership, pre-war and now, had to do with the labor press. The reactionary leaders, in their general program of subordinating the interests of the workers to those of the employers, allowed the latter to poison the labor papers with their propaganda and to use them as a means for the further enslavement of the masses. This is such an important angle of the general corruption in the trade union movement that a

full chapter is devoted to it later. Here it suffices to signalize as class collaboration the illicit relations existing between the labor leadership and the employers in the matter of the labor press.

Pre-war trade unionism was saturated with class collaborationism. The Gompers leaders accepted the capitalist system of economics, with all that it implies. They dragooned the workers into the two capitalist parties. They filled their heads with petty bourgeois conceptions and warred against the development of class consciousness. Through Civic Federations, American Railway Employees and Investors Associations, Chambers of Commerce, etc. they permitted themselves to be corrupted and made tools of by the employers. They signed and forced the workers to live up to all kinds of traitorous union agreements. They poisoned the workers' organizations with the enervating union label propaganda and they sold out the labor press to the enemy.

Yet withal the trade union movement retained much vitality. Even such deadly practices could not kill it. The workers, driven on by intense exploitation, found ways to force the fight against the employers. Before the war the history of the American labor movement was marked by a whole series of struggles, which for bitterness and violence, were hardly to be equalled in any country save Czarist Russia. In the present days of spineless leadership and emasculated trade unions the pre-war labor movement looms up, in spite of all its class collaborationism and corruption, as relatively progressive, democratic, and militant. It remained for the war and post-war periods to set in motion class collaboration tendencies that have robbed the union movement of much of the all-too-slender store of vitality that it possessed before the war and to degenerate it far below its pre-war status.

2. THE WAR PERIOD

In the historic situation of the war period all the class collaboration tendencies hitherto active or latent in the trade

union movement came to a climax. The bureaucracy identified the interests of the workers completely with those of the employers. They degraded the trade unions into mere instruments of the capitalists. Whatever war policy the capitalists outlined the trade union leaders accepted as their own. When the policy of the Government was "neutrality" none were more blatant neutralists than the bureaucrats. And when the capitalist class prepared to enter actively the war the trade union leaders began to cry out for the slaughter. Even before the United States actually began war on Germany the A. F. of L. bureaucrats gave assurance that the employers could depend upon the support of the workers. At a special conference, attended by the heads of all the important unions, held almost one month before the United States entered the war, a long patriotic declaration was adopted, containing the following:

"But, despite all our endeavors and hopes, should our country be drawn into the maelstrom of the European conflict, we, with these ideals of liberty and justice herein declared, as the indispensable basis for national policies, offer our services to our country in every field of activity to defend, safeguard and preserve the republic of the United States of America against its enemies whosoever they may be and we call upon our fellow workers and fellow citizens in the holy name of Labor, Justice, Freedom and Humanity to devotedly and patriotically give like service."

A few months after the war began, the Gompersites, in order to check left wing agitation against the war, organized the so-called American Alliance for Labor and Democracy. Its declaration of principles begins:

"The American Alliance for Labor and Democracy, in its first national conference, declares its unswerving loyalty to the cause of democracy, now assailed by the forces of autocracy and militarism. As labor unionists, social reformers and socialists, we pledge our loyal support to the United States Government and its allies in the present world conflict. We declare that the one overshadowing issue is the

preservation of democracy, either democracy will endure and men will be free, or autocracy will triumph, and the race will be enslaved. On this prime issue we take our stand."

The resistance of the left wing was soon overcome. The overwhelming masses of trade unionists were duped into following the lead of the A. F. of L. officials. The latter then, cheek by jowl with the employers, plunged into every phase of war activity. They became members of all the committees, from the National War Labor Board down, created to further the war. They sent delegations to Great Britain and France to help force the reluctant masses into the war. Gompers blossomed forth as a great "statesman," the right hand man of Wilson. On all sides the press and other capitalist institutions poured out flattery for the pliant labor leaders, who swallowed it greedily.

The employers, with a shrewd eye to eventual bitter struggles with the workers, demanded the establishment of class peace during the war period. This the lackey-like bureaucrats readily agreed to. Early in 1918 they worked out an agreement which was not only practically of a no-strike character, but which also laid other direct obstructions in the way of organizing the workers. One clause of this agreement runs:

"In establishments where union and non-union men and women now work together and the employer meets only with employees or representatives engaged in such establishments, the continuation of such conditions shall not be deemed a grievance."

This was a guarantee of the status quo regarding the "open shop," and it was so understood by the various labor commissions. It was a direct bar to the unionization of the industries. The leaders of the workers also accepted it in that spirit. They did virtually nothing to organize the masses to defend their interests. They were interested only in winning the war. With the tremendous demand for labor it would have been quite possible with but little effort to sweep several million

workers into the unions. Because this was not done the unions later had a bitter price to pay.

Notwithstanding sabotage and betrayal by the Gompers leaders in every angle of the war situation, the pressure from the masses for organization and better conditions was so great however that the unions began to grow and function. Thousands of workers were organized in the railroad, steel, packing, lumber, metal, textile, and many other industries. The membership of the A. F. of L. advanced from 2,371,434 in 1917 to 4,078,740 in 1920, the highest point it has ever reached. The 8-hour day was established in many industries, working conditions were improved, and wages, especially of the unskilled, were sharply advanced.

The end of the war found the trade union bureaucracy living in a fool's paradise. Everything seemed very rosy to them. The unions were strong, established in many industries hitherto completely closed to them, and growing rapidly in spite of official sabotage. The leaders, flattered by the employers and tied up with them in a maze of governmental class collaboration schemes, believed that their ideal class peace was at hand. But these illusions were soon to be shattered. Speedily after the war the trade unions were to find themselves in death grips with a capitalist enemy more militant than ever, with American imperialism, nurtured and strengthened almost beyond recognition by the world war.

3. THE RISE OF AMERICAN IMPERIALISM

With its vast extent of territory, stretching from the Atlantic to the Pacific, containing the greatest body of natural resources of coal, iron, oil, lumber, etc., in the world, the United States, prior to the world war, was forging steadily ahead to its inevitable goal as a great imperialist power. Long steps in this direction were the seizure of Hawaii, Cuba, Porto Rico, the Philippines, Guam, etc., and the opening of the Panama Canal, which gave the United States rich colonies

to exploit and hegemony over Central America. The growth of its unparalleled industrial system was also laying the basis for America's world role.

The world war enormously speeded up this imperialist development of the United States. America's war-stricken allies placed monster demands upon its industrial and financial resources. These responded with a flood of war supplies and capital such as the world had never seen before. With one great leap the United States, displacing Great Britain, became the industrial and financial leader of world capitalism.

The United States is today the world's greatest industrial center. It produces 54% of the world's iron, 64% of its steel and petroleum, 53% of its lumber, 71% of its cotton. It has 41% of all railroads, and 40% of all developed waterpower, with other industrial production and resources in proportion. This huge industrial system is capable of producing enormously greater amounts of commodities than the American market at present consumes. Hence there is a burning need of American capitalists to win ever larger foreign markets in sharp competition with those of other countries.

The United States has also become the world's greatest banker. The world war changed it from a debtor to a creditor nation. In 1913 American investments abroad totalled only $2\frac{1}{2}$ billions, which were doubly offset by 5 billions of foreign investments here. But since the beginning of the war American investments abroad have been raised to the monster figure of 24 billions and foreign investments in this country were liquidated to the extent of 3 billions. Of the 24 billions in international investments, approximately one-half is in Government war and post-war loans. The rest is in private investments, of which there are $4\frac{3}{4}$ billions in Latin America, 3 billions in Canada, and $3\frac{1}{4}$ billions in Europe. At present the United States holds more than one-half of the world's gold reserve and it is accumulating capital at a rate unprecedented. This great surplus must be and is

being exported. In 1926 foreign loans were made to the extent of \$1,134,000,000 as against \$540,000,000 in 1920, and 1927 promises to show an even greater export of capital.

Driven on by an inexorable necessity to find markets for its export capital and its surplus manufactured commodities and to secure new sources of supplies of raw materials, the United States, clashing violently with Great Britain and Japan, is surging ahead impetuously on its course of imperialist world domination. Under the flag of the Monroe Doctrine it is reducing, by investments, by violence, and by chicanery, the three Americas to its sway. With the Dawes plan and similar schemes it seeks to enslave Europe, already hamstrung by gigantic war debts. With the hypocritical "Open Door" policy it sinks its fangs in the Chinese people. It is a bitter, inveterate enemy of Soviet Russia and the Chinese national revolution. Militarizing its own people and sowing on all sides the seeds of war, the United States is making its supreme bid for imperial hegemony over the nations of the world. Its policy, and that of the rival imperialist countries, now confronts the world with the prospect of further horrible wars.

4. THE POST-WAR ATTACK ON LABOR

Almost immediately after the war this robust imperialism came into open conflict with the antiquated trade union movement. The employers' objectives were to strip the workers of what advances they had made during the war period. They were determined to cut wages, and especially to destroy the unions, so as to secure for themselves greater profits and a free hand in the industries. This movement to "deflate" labor in the United States was part of the world effort of capitalism to stabilize itself after the holocaust of the war.

The main attack against the American workers was camouflaged with a remarkable smoke screen of class collaborationism. During 1919 a whole series of proposals were put

forth to establish class peace, especially by church organizations, including such bodies as the National Catholic War Council, Federal Council Churches of Christ, Episcopal Joint Commission on Social Service, Baptist Social Service Committee, Presbyterian General Assembly, Methodist Episcopal Board of Bishops, Interchurch World Movement, etc. The general program of this widespread movement was for a class peace based upon mild social reforms and a recognition of the right of the workers to form trade unions. The objective results of the movement were to confuse the workers and to demobilize them before the impending capitalist attack.

As part of this class collaboration camouflage movement, President Wilson, on Sept. 3, 1919, issued a call for a National Industrial Conference to assemble in Washington on Oct. 6. It was to be made up of representatives of the employers, the public and the workers. Its avowed purpose was "to discuss such methods as have already been tried out of bringing capital and labor into close cooperation." But before the meeting came together the storm broke. On Sept. 22, almost 400,000 steel workers struck. The refusal of the Oct. 6 conference to deal with the strike led to the withdrawal of the labor delegation and the break-up of the conference. The class war was on in earnest.

Then followed the greatest series of labor struggles in American history. During the next three years big strikes raged in nearly all the industries. Everywhere the employers strove to cut wages and to smash the unions; everywhere the workers militantly resisted, despite a weak and treacherous leadership. Bitter strikes were fought out in the coal mining, meat packing, printing, building, textile, shoe, marine transport, needle, lumber, and other industries. The movement climaxed in the great national strike of the 400,000 railroad shop mechanics in 1922.

The trade union leadership proved itself utterly unfit in the face of this bitter and sustained attack upon the workers.

Its petty bourgeois ideas of class collaboration, its antiquated system of craft unionism, and its obsolete strike strategy were worse than useless in defending the workers and their organizations from the aggressive attacks of the capitalists, made powerful through militant imperialism. Craft betrayal, in its worst forms, was practiced on every front. Consequently the unions suffered heavy defeats all along the line. In the steel, meat packing, lumber, and marine transport industries they were either completely or almost completely annihilated. The Miners Union was seriously weakened, likewise the organizations in the printing, needle, shoe, building, and textile industries. The smashing of the shopmen's strike undermined the whole structure of railroad trade unionism. The A. F. of L. lost more than 1,000,000 members in the whole struggle and was driven from many key industrial positions. This period was marked with ferocious state persecutions of the left wing, many hundreds being jailed and deported. Taken together, the reverses in the various industries constituted the most disastrous defeat ever suffered by the American labor movement in its entire history.*

5. THE GREAT SURRENDER

In the midst of these historic struggles the left wing in the unions, organized in and around the Trade Union Educational League, and the Workers (Communist) Party, raised the slogan, "Amalgamation and a Labor Party." It proposed that the scattered craft unions be consolidated and the unorganized workers mobilized into powerful industrial unions. It demanded that the labor leaders break with the two capitalist parties and that the unions launch a labor party. It insisted upon a policy of militant struggle against the employers. This program took like wildfire among the masses. The workers were in a fighting mood. Over half of the

*For a history of these struggles read *The Government-Strikebreaker*, by Jay Lovestone.

entire rank and file of the unions voted endorsement of the slogan, "Amalgamation and a Labor Party."

But the conservative leaders would have none of such a program. Amalgamation would jeopardize their sinecure jobs in the unions; the labor party would break their profitable alliances with the capitalist politicians, and the plan of militant struggle was contrary to their whole class collaboration ideology. Hence, through their autocratic control of the union machinery, they strangled the amalgamation movement; they sabotaged the labor party, and they embarked upon a program of systematic surrender to the employers. To make this surrender possible, they opened up a bitter persecution of the left wing, which still goes ahead with increasing tempo, designed to disconnect its militants from leadership of the discontented masses.

After the close of the 1922 railroad shopmen's strike the trade union bureaucracy plunged into an orientation towards an elaborated and intensified class collaboration. This path they are travelling ever faster. More than ever they are tending to avoid the struggle with the employers and to drop the strike weapon. They are working towards the degeneration of the unions into mere production appendages of the employers by means of various class collaboration schemes in industry, finance, and politics. Their policy amounts, in substance, to a deep-going surrender of the workers into the hands of their class enemies, the employers. This new orientation, coming straight from the employers, constitutes a specifically American type of reformism, with strong Fascist tendencies.*

6. THE BASIS OF THE NEW ORIENTATION

In their aggressive fight for world domination American imperialists feel a double need for cheaper production and a

*Read *Class Struggle vs. Class Collaboration*, by Earl R. Browder, and *Class Collaboration and How It Works*, by B. D. Wolfe.

docile working class. To achieve these ends the employers, tremendously enriched and made powerful by the extra-profits of imperialist exploitation, have set afoot a whole series of movements designed, (1) to speed up the workers in industry, (2) to prevent the growth of class consciousness and militant labor unions. In many, if not most industries, employers drive at this goal by the traditional method of destroying all unionism among their workers. But in many important cases their tendency is to develop a maze of class collaboration arrangements which concentrate themselves around company unionism in the shops and employee stock-ownership schemes in the realms of finance. It is these new tendencies which we must examine here. The aspects of this class collaboration movement in organized politics will be discussed in a later chapter.

(a) Company Unionism

About 1913, many American employers, under the lead of the Rockefeller interests, departing from the traditional 100% "open shop" policy of no organizations among their workers, began to establish company unions. Their program was to break the trade unions and to build company unions. Since then, especially during the war period, the company union movement has spread rapidly. Under a maze of forms (a recent survey showed 214 types among the existing 814 company unions) it has been established in many key and basic industries; including steel, railroad, textile, oil, lumber, packing, electrical, etc. It encompasses over 1,000,000 workers, largely in such great plants as the Bethlehem Steel Co., Pacific (Textile) Mills, Pennsylvania Railroad, Westinghouse Electric Co., Elgin Watch Co., International Harvester Co., Western Union Telegraph Co., Eastman Kodak Co., etc. A list of the firms having company unions contains many of the greatest capitalist concerns in America.

In connection with the company union movement, either

as direct parts of it or as related institutions, these employers usually have a whole array of welfare plans and programs, covering group insurance, old age pensions, sick benefits, housing schemes, education, sports, etc.

A prime purpose of the company union movement, with its welfare attachments, is to speed up the workers. Recently a production engineer said that the great industrial efficiency expert, Taylor, had failed to understand that it was necessary not only to develop the technical methods of efficiency in production but also to secure the workers' cooperation in their application. The company unions are designed to secure such cooperation, and undoubtedly in some instances they partially achieve this purpose. Their proceedings are saturated with propaganda and actions calculated to speed up the workers.

By a variety of means the company unions also tend to check the growth of class consciousness and trade unionism. Often they make a show of democracy in the shops and thus delude the more backward elements among the workers. Sometimes, as in the recent general wage increases among railroad workers, the employers give wage advances through the company unions. Their incessant propagation of the hypocritical employer doctrine of the harmony of interests between the workers and their exploiters is demoralizing. Many company unions have been formed during strikes, as on the railroads in 1922, or to hinder organizing campaigns, as in the steel industry in 1918. A whole school of efficiency engineers consider them as specific bars to trade unions and strikes. But Judge Gary, after his experience in the big steel campaign, when in spite of the many company unions the organizers succeeded in unionizing the workers, stated that he doubted if company unionism is a sure preventive of trade unionism.*

*For a fuller treatment of this subject see R. W. Dunn's pamphlet, *Company Unionism*.

(b) Employee Stock Ownership

A twin brother to company unionism, making for the weakening of the workers' opposition, ideologically and organizationally, to capitalist exploitation, is the many-phased movement of the employers to assemble and control what moneys the workers are able to save out of their meagre wages. These worker savings they concentrate in bank deposits, life insurance, etc., but the most significant aspect of the movement is their stimulation of the workers to purchase stock in various industrial enterprises. Within recent years this stock-buying movement, under forced draught from the various corporations, has been widely extended. The following incomplete and not too accurate figures, gathered from various sources, give an idea of its extent:

The American Telephone and Telegraph Co. reports 57,000 employee stockholders owning \$170,000,000 worth of stock, and 200,000 employees now buying \$126,000,000 more. Of U. S. Steel Co. employees, 47,647 own \$100,000,000 in the company's stock, and in the Standard Oil Co. of New Jersey, 16,358 own \$30,000,000. The 11,000 employees of the Philadelphia Rapid Transit Co. in 1927 hold \$11,000,000 of that concern's stock. Other big corporations report employee stockholders as follows: Armour and Co., 40,000; Swift and Co., 15,000; New York Central R. R., 27,915; Pennsylvania R. R., 20,000; Eastman Kodak Co., 15,000; Bethlehem Steel Co., 14,000. To the National Electric Light Association 56 public utilities companies report that 38% of their employees are stockholders. In *Forbes Magazine* for March 1, 1927, B. C. Forbes says "Twenty large industrial, railway, and utility corporations some little time ago reported a total of 315,000 employee-stockholders. Their holdings had an aggregate value of \$454,000,000."

Reformistic defenders of capitalism pounce upon these deceptive figures and declare that the workers are becoming capitalists and are buying control of the industries. At the

head of these enthusiasts stands Thomas Nixon Carver, Professor of Political Economy at Harvard, with his recent book, *The Present Economic Revolution in the United States*. A few quotations from this work illustrate the lavish way these economists ascribe billions of dollars and far-reaching industrial control to the workers:

"The only economic revolution now under way is going on in the United States. It is a revolution that is to wipe out the distinction between laborers and capitalists by making laborers their own capitalists and by compelling most capitalists to become laborers of one kind or another" (p 9).

"There are at least three kinds of evidence that indicate roughly the extent to which laborers are becoming capitalists: first, the rapid growth of savings deposits; second, the investment by laborers in the shares of corporations; third, the growth of labor banks" (p. 11).

"If we add together the total payments to life insurance companies during the last five years we get the sum of \$9,852,127,693. Adding this to the total savings deposits for 1924 and the total assets of building and loan associations for 1923, we get the enormous sum of \$34,666,629,573. Of course this must be discounted somewhat because these savings are not wholly by laboring people. Discount this as much as we dare, it is still a fair inference that the share of the working people in the savings will be somewhere in the billions. Any day the laborers decide to do so, they can divert a few billions of savings to the purchase of common stock of industrial corporations, railroads, and public service companies, and actually control considerable numbers of them" (p. 94).

"The saving power of American working-men is so great that, if they would save and carefully invest their savings, *in ten years they would be one of the dominating financial powers of the world*" (p. 118).

"It was pointed out that the total value of the railroad stocks outstanding on Dec. 31, 1917, was \$6,583,000,000. If the railroad employees would save merely the increase which they had recently received in their wages, it would give them \$625,000,000 a year for investment. On this basis, if they bought railroad stocks at par, they could, by investing all their savings and dividends in railroad stocks,

buy \$3,490,000,000 in five years. This would give a substantial majority of all the outstanding stock" (p. 124).

Carver's Utopia glitters, but it is only dross. It cannot and will not work. The workers are not buying the industries, nor are they becoming capitalists. For one thing, a very large percentage of those listed as "employees" in Carver's calculations are company officials, who notoriously invest their savings in stocks of the concerns for which they work. Thus, if the U. S. Steel reports 47,647 stockholders out of about 250,000 employees it is safe to assume that the overwhelming mass of them are company officials, "white collar" elements, and the upper layers of skilled workers. The masses of workers are little touched by the movement, despite 20 years of active stock selling by the corporation. The same remarks apply to many other firms.

Boosters of employee stock-holding grossly exaggerate both the number of such stockholders and the extent of their ownings. Thus W. Jett Lauck says:* "Altogether the holdings of 6,500,000 employee stockholders amount to only \$500,000,000, showing labor has made an absolute but not relative gain in corporate ownership." This number of employee stockholders is ridiculously exaggerated. The total number of all stockholders in the United States, discounting duplications, according to U. S. figures is 2,358,000 and of these hardly more than 500,000 can be classified as employees. But if Lauck were correct it would represent a holding of only about \$75 apiece, which does not seem a very capitalistic figure. The Federal Trade Commission report on National Wealth and Income, based on 1922 figures, shows that only 75 out of 1,000 stockholders are employees, and that these own the even smaller percentage of only 15 shares out of each 1000. Of the total stockholders, 53½% receive only 4% of all dividends paid. And Prof. Carver's own figures, in the case of many big corporations, indicate clearly that the

*W. Jett Lauck: *Political and Industrial Democracy*, p. 109.

big stockowners are increasing their holdings at a manifold more rapid ratio than are the employee stockholders. Nevertheless, the illusions growing out of such propaganda as Carver's are dangerous.

Undoubtedly many sections of American skilled workers have been corrupted and "bourgeoisified" and some isolated sections of the unskilled and semi-skilled (Ford plants, Philadelphia Rapid Transit, etc.) have been somewhat affected by American imperialism through high wages and other concessions, but the lesser skilled do not share this "prosperity." They are living from hand to mouth. The mass of the workers cannot buy actual control of or even heavy interests in corporation stocks. Not even if they are forced to buy such stocks.* The workers have not got the money. Their wages are too low. In *Current History*, March, 1927, Mina Weisenberg says, "In 1923 and 1924 the real wages of unskilled workers were only 20% higher than the 1913 average which was then considered insufficient for a decent living standard." U. S. Department of Labor statistics show that average wages for male adult workers in the United States do not exceed \$30 per week. To speak of workers so underpaid finding a solution of their economic problem by buying the industries with their savings is ridiculous. Concretely, the glib plan of Mr. Carver's for the railroad workers to buy the railroads in five years by arbitrarily setting aside their wage increases for the purchase of stock, is impossible. In 1926, the 1,773,864 railroad workers received an average wage of \$1,656, or about \$32 per week. No less than 435,000 of them got the beggarly wage of \$100 or less per month. Such workers are straining to buy the necessities of life, not the railroads.

And what about periods of industrial depression when un-

*In many New England shoe factories the employers are compelling the workers to purchase shares in the companies or lose their jobs. This is the so-called "Golden Rule Plan."

employed workers are forced to draw upon their scanty reserves? Mr. Carver blithely assumes that the present "prosperity" will continue, or even increase. This is a fallacy. Inevitably the United States, despite its present economic strength, will be undermined by the contradictions inherent in world capitalism, and plunged into recurring deeper industrial crises. At present capitalism in all important industrial countries, in order to extricate itself from its deep difficulties, is making frenzied efforts to speed up production, by the wholesale introduction of machinery and new processes and by driving the workers still faster. This is the so-called rationalization of industry movement. Its effects are to enormously increase production. In the United States since 1919 the output per worker in industry has increased 40%. In 1925, with 385,000 less workers than in 1923 (who worked for 270 millions less in wages), one billion dollars more was added to the value of manufactured goods. The rationalization movement leads inevitably to a sharpening of class antagonisms at home and to an intensified struggle for the world market. Mass unemployment is an inseparable result of it. Germany with its intense rationalization of industry illustrates this strikingly. There wages are at a minimum, the working day has been lengthened to 9, 10, 12 hours, and chronic mass unemployment prevails. The United States, because of its favorable position, escapes for the moment the full harmful effects of the movement. But certain it is that in the near future far reaching industrial crises and unemployment on a gigantic scale will confront the American working class. Then, not only will stock buying cease, but the workers who have stocks will tend to get rid of them. They will then be gobbled up for a song by the big capitalists. Significant is the fact that during the crisis of 1921-22 the percentage of U. S. Steel employees holding stock fell from 42% to 16%.* Undoubtedly the next industrial

*M. Weisenberg: *Current History*, March, 1927.

crisis will knock the bottom out of the employee stock ownership movement.

The workers, with such stock purchases as they are making, are not buying their way into control of the industries, despite the isolated instances of the Philadelphia Rapid Transit Co., where the "employees" own about one-third of the common stock; and the A. Nash Co. of Cincinnati, where they actually own a majority. Big capital, which is rapidly concentrating and organizing itself, is not weakened by the extension of petty capitalist holdings. In his book, *Imperialism* (p. 48), Lenin, in dealing with the power of big capital to dominate petty capital, says:

"The 'democratic' distribution of stock, which the bourgeois sophists and certain social democrats expect will democratize capital and strengthen the role and importance of small scale production, etc., is in fact only another of the means of increasing the power of the financial oligarchy."

The big capitalists are finding ways and means to control the capital being assembled by the employee ownership movement and to turn it to their own advantage. W. Jett Lauck says, "The extent of employee ownership of stock has increased but the degree of control exercised by employees is very small." Various barriers are raised by the capitalists against employees exercising any degree of control through such stock as they may purchase. They often confine stock sales to trusted ranks of employees, as for example the Bell Telephone Co., which sells stock to only 5% of its employees. In many cases the amounts of stock per employee are also limited, as with the Consolidated Gas Co. of New York, which does not permit its employees to secure more than 20 shares each of \$50 value. Corporations often control blocks of employee-owned stock through their officials, who are also "employees." The discharge power also rests in their hands with which to terrorize refractory worker stockholders, if necessary. The vast funds in the insurance and building loan

associations, whose billions Mr. Carver would have the workers invest in stocks in their own behalf "any day they see fit," are of course safely in the hands of the capitalist bankers.

Finance capitalists are experts in robbing petty investors and squeezing them out of control, and the employee-ownership movement gives them excellent opportunities to exercise their doubtful talents. In his book *Main Street and Wall Street*, W. Z. Ripley shows, as one of the big capitalist control devices, that corporations are tending more and more to divide their stock issues into voting and non-voting categories, the voting stock being retained by the bankers and industrial capitalists and the non-voting stock being sold to the employees and the public. Ripley, although his petty bourgeois remedies are impossible, is right when he says: "The wider the diffusion of ownership, the more readily does effective control run to the intermediaries," that is, to the bankers.

The employee ownership movement offers no solution of the workers' basic economic problem of securing the full product of their labor, involving their freeing themselves from the capitalist exploiters. The workers are not becoming capitalists. The employee stock ownership movement, what there is of it, is centered mainly in categories of officials and also among the labor aristocracy, who can buy a few shares of stock because at the present time they are in many instances receiving some concessions in wages, etc. under American imperialism. This is the basis of the widespread conservatism among them. The great masses of unskilled and semi-skilled workers, however, have but slight participation in the stock owning movement. They are bitterly exploited and exist at low living standards. Carverism, supported by a widespread propaganda in the capitalist press, undoubtedly cultivates dangerous illusions among the workers even though the masses can buy no stocks. These illusions must be vigorously combatted. The whole movement works out to the benefit of the capitalists by, on the one hand, giving them greater financial

control and, on the other, by tending to confuse the workers and to weaken their organizations and struggles.

7. THE NEW ORIENTATION

In the early stages of the company union and employee stock ownership movements the trade union leaders, despite their general tendencies towards class collaboration in all its forms, made considerable opposition to these movements. They denounced company unionism vociferously and, to some extent, actually fought against it. Even as late as Oct., 1925, Wm. Green, patterning after a previously published article in the Sept., 1925, *Workers Monthly*, organ of the Workers (Communist) Party, demanded that the workers capture the company unions and make them points of departure for movements to start real unions. This piece of copying *The Nation* dubbed "taking a leaf out of the book" of the left wing. The union leaders also, on many occasions, sharply condemned the practice of the workers buying stocks in capitalist industry. They still placed some reliance in the strike and the power of the unions as such.

But following the loss of the 1922 strike of the railroad shopmen, described above, a radical change set in among the union leaders. Their new orientation, manifested by new and intensified forms of class collaboration, constitutes in reality a great surrender of the workers' interests by an acceptance of the employers' general programs of company unionism and employee stock ownership. This acceptance takes the forms principally (in addition to its more political aspects which will be discussed later) of the "company-unionization" of the trade unions and the establishment of trade union capitalism.

8. COMPANY-UNIONIZING THE TRADE UNIONS

In pressing for a docile working class, speeded in production to the limit, and controlled by the employers' agents, the

capitalists are proceeding along two general routes, both leading to the same goal. They are not only organizing company unions directly out of the unorganized masses, but they are also systematically degenerating the trade unions in the direction of company unionism (when they do not smash them altogether). In this latter course they have the assistance of the reactionary labor bureaucracy, Gompersites, Progressives, and Socialists. In the *Workers Monthly*, Jan., 1926, I pointed out the growing amalgamation of company unionism and trade unionism as follows:

"Of late new tendencies are manifesting themselves which indicate that the employers and the trade union bureaucrats are beginning to agree on a policy to allow the existence of some semblance of labor unionism in the industries and thus also permit the continuance of labor bureaucracy. This drift towards an agreement comes from two directions. On the employers' side it comes from the development of company unionism, and on the bureaucrats' side from the degeneration of the trade unions through the B. and O. plan and other schemes of class collaboration. The tendency of these two converging lines of development is to culminate in some form of unionism between those of present day company unionism and trade unionism."

Undoubtedly the employers are proceeding consciously to the company unionization of the trade unions. Many capitalist apologists are actually proposing the organizational as well as the functional consolidation of company unions and trade unions. In his recent book, *Political and Industrial Democracy* (pp. 82-84), W. Jett Lauck, bourgeois economist, says:

"It cannot be denied that shop committees and more extensive systems of employee representation are of fundamental importance, but they should be co-ordinated with regular unions. Not only industrial democracy and the cooperative spirit in industry will be thus better realized, but the greatest measure of efficiency and productiveness in industry attained."

"Co-operative relations between employers and employees can never be realized permanently by shop committees or systems of employee

representation unless the labor union is adopted as the fundamental basis of procedure."

As we shall see, the trade union leaders have already proceeded far towards the functional amalgamation of company unionism, under the stimulus of the employers. Nor will they hesitate before a possible organizational amalgamation, unless checked by rank and file resistance. Already the Amalgamated Clothing Workers, trail blazer in many forms of class collaboration, has consolidated with the company union in the shops of the A. Nash Co. All that the trade union leaders will demand in the amalgamation of company unionism and trade unionism, functional or organizational or both, is the safeguarding of their bureaucratic group interests. They will insist upon a type of organization, formally independent, dues-paying (to pay their salaries and to finance their capitalistic enterprises) and with them in nominal control. The Boot and Shoe Workers Union, now only a shade better than a company union, shows how far the leaders will go towards company unionism unless blocked by the workers' resistance. With their own group interests protected at the expense of the masses of workers, the trade union leaders would become more and more the fascist agents of the employers to speed up the workers and to combat all forms of militancy among them.

(a) The B. and O. Plan

The speed-up and no strikes; that is the demand of the employers upon their workers in this era of American world imperialism. That is the road to company unionization. The railroad union leaders, convinced after the loss of the 1922 shopmen's strike that they could not make even formal resistance to the powerful companies, were the first to surrender completely to this demand. They adopted as their working principle "cooperation" with the employers in production. They elaborated the B. and O. Plan. It was worked out by Otto S. Beyer, an efficiency engineer, and sponsored by Wm.

H. Johnston, former President of the International Association of Machinists. Johnston says of it:

"The idea underlying our service to the Baltimore and Ohio railroad may be compared to the idea which underlies the engineering services extended to railroads by large corporations to furnish, let us say, arch brick, superheaters, stokers, or lubricating oils. The union members furnish their services to the best advantage of all. In response to the recognition accorded the union and by virtue of the agreement existing between the management and us it becomes peculiarly feasible for us to take steps between management and men and create as it were an all-pervading collective will for the major purposes of railroading, namely, efficient service to the public, a fair return to the investors, and adequate wages and steady employment for the workers. The legitimate, standard, genuine unions of the railroad shop mechanics are more than eager to offer the same positive cooperation to any railroad management which is intelligent enough and courageous enough to see the inevitable logic of events. I maintain that such a management would never again desire to see the affiliated shop unions effaced from its railroad."

The B. and O. plan involves abandoning all struggle against the employers. Says F. J. Cullum, a union official on the Canadian National Railways:

"It is absolutely essential that there should be complete harmony among the members of the committee (B. and O. plan). There should be at no time a feeling that they belong to different groups, neither that one shall seek an advantage over the other." *

Railroad workers are already intensely exploited. Says Leland Olds in a recent "Federated Press" article:

"According to W. H. Dunlap in the monthly review of the U. S. Dept. of Labor, the productive output of railroad labor in the United States has increased about 40% since 1915 and about 150% since 1890. . . . The increased productivity of railroad labor since 1920 is reflected in a drop of about 275,000, or 13½% in the number of workers employed."

The B. and O. Plan facilitates this increasing exploitation. The employers quite generally greeted it. After its adoption

**American Federationist*, Feb., 1927.

by the Baltimore and Ohio railroad it was installed upon the Chesapeake and Ohio, Chicago, Milwaukee and St. Paul, Chicago and Northwestern, Canadian National Railways, etc. It has also been introduced into various metal trades contract shops.

Under the B. & O. Plan the union officials help the employers to drive the workers. Recently on the Canadian National Railways at Winnipeg, they presented the company, to be laid off, a list of men, some with from 12 to 17 years service, because they did not "cooperate" with the company.

The B. and O. plan has proved profitable for the employers. In 45 shops of the B. and O. R. R., according to a recent report, 18,000 efficiency suggestions were made by the men, of which 15,000 were accepted. Dividends of the B. and O. company amounted to 17% for 1926, or almost double as much as in 1924. "Co-operation" of the workers with the employers in speeding up production was a big factor in producing these high dividends. No wonder that Willard, President of the road, glowingly endorsed the B. and O. plan in a recent speech before the National Civic Federation.

As for the workers, they have had their pains for their trouble. They receive less for their work, by from four to six cents per hour, than the shop workers employed on the non-union Pennsylvania railroad. In the recent general wage increases on the railroads they received no greater advances than workers on many unorganized railroads. The B. and O. plan is a golden thing for the employers. For the workers it means more intense work, low wages, and the company-unionization of their trade unions. Eventually, for reasons pointed out previously, it will lead, because of increasing overproduction, to intense industrial crises and mass unemployment.

The ruinous effects of this intensive class collaboration policy of the railroad trade union leadership is exemplified by the Watson-Parker Law, lately adopted by Congress for the purpose of regulating wages and working conditions on the

railroads. This law, undoubtedly the most vicious piece of anti-labor legislation enacted for many years, proceeds far towards the company-unionization of the railroad unions. It emanated from the big railroad companies, the notorious union-crusher Atterbury of the Pennsylvania being its outstanding advocate. But it was enacted into law with the full support of the railroad union officialdom and the higher bureaucracy of the A. F. of L.

The Watson-Parker Law crystallizes the employers' program for hamstringing the railroad unions. It incorporates, with official labor's endorsement, many anti-labor features long bitterly resisted by the trade union movement. It virtually illegalizes strikes on the railroads and establishes compulsory arbitration. It opens the door wide to the development of company unions. It gives the reactionary Federal Courts the right to interfere in and regulate wage disputes between the railroad workers and the railroad companies. It cements the alliance, disastrous for the workers, between the companies and the union leadership, an alliance based on the surrender of the workers' interests. The Watson-Parker law registers the lowest point reached by American trade unions in their degeneration, brought about by joint action of the employers and reactionary union leaders, towards company unionism.*

(b) The New Wage Policy

The interests of the imperialistic employers demand the most intense possible exploitation of the workers. The reactionary union leaders, chastened by the general defeat of the trade unions in the years 1919-23, and in their true role as "agents of the bourgeoisie in the ranks of the workers," yield to this demand and make haste to help the employers drive the workers at ever greater speed. Traces of this eventual development, now definitely crystallized under the name of

*For a complete analysis of this law, see Wm. Z. Foster: *The Watson-Parker Law*.

"the new wage policy," were already to be found in the Portland convention in 1923. The 1924 convention of the A. F. of L. in El Paso specifically endorsed the B. and O. plan, and the 1925 convention in Atlantic City elaborated its underlying principle of "co-operation" with the employers to increase production into the fundamental policy of the official labor movement. The essence of the new wage policy, as stated by the A. F. of L. in 1925 is as follows:

"We hold that the best interests of wage earners as well as the whole social group are served, increasing production in quality as well as quantity, and by high wage standards which assure sustained purchasing power to the workers, and therefore, higher national standards for the environment in which they live and the means to enjoy cultured opportunities. We declare that wage reductions produce industrial and social unrest and that low wages are not conducive to low production costs. We urge upon wage earners everywhere: that we oppose all wage reductions and that we urge upon management the elimination of wastes in production in order that selling prices may be lower and wages higher."

"Social inequality, industrial instability, and injustice must increase unless the workers' real wages, the purchasing power of their wages, coupled with a continuing reduction in the number of hours making up the workingday, are progressed in proportion to man's increasing power of production."

Some hailed this last paragraph as a radical advance for the A. F. of L. In reality, considering the lackey-like official practices under the new wage policy, it is no more than a platonic argument in favor of higher wages in return for more production.

The Atlantic City convention, as a means of putting its new wage policy into effect, proposed:

"... a conference of organized labor, organized farmers, and trade associations under the direction of Secretary Hoover of the Dept. of Commerce. The purpose of the conference is to consider the elimination of difficulties preventing the constructive organization of industry."

In the furtherance of this policy the entire trade union

leadership is carrying on an intensive propaganda. The union journals reek with class collaboration "cooperation." That hand maiden of the bureaucracy, the Workers Education Bureau, also does its share. The two outstanding champions are Green and Woll. They offer, in all keys and tones, unstinted "cooperation" of the workers to intensify production, provided the employers will stop their union-smashing campaigns and permit the existence of degenerate unions. They especially claim that the employers can gain more in production through trade unions than through company unions. Their plan, in brief, is to scab the company unions out of existence. Says Green, in the *American Federationist*, Dec., 1926:

"The company union movement admits the need of labor management, but rejects the means to that end. . . . Even though such employers may realize the necessity of having employees organized in order to deal with them efficiently, they feel they must control any such organization. They feel that the labor movement . . . can not be trusted to share on an independent footing in the direction of industrial policies. . . . By imposing their wills instead of finding how to get consent through the development of mutual interests they miss the larger possibilities that would come by sharing responsibility with their workmen on a basis of independence and equality through the organized labor movement."

Green's program is clear and definite. On the one hand, unlimited "cooperation" with the employers under the "union-management" scheme to speed up production, and on the other, war to the knife against the left wing which would rouse and organize the workers to actively defend their interests. In the same issue of the *American Federationist* he says:

"Let no union think it can tolerate communist propaganda or compromise with communist propositions. The differences between trade unionists and communists are as diverse as two poles. . . . There is only one wise way to handle a communist found in a union; make public his affiliation and expel him. The only way to deal with communism is to eradicate it root and branch."

Woll is equally drastic. He has elaborated a whole theory of surrender to the employers, which he calls the "Monroe Doctrine of American Industry." He says that his proposals of unqualified "cooperation" of the workers in intensifying production "will cast aside forever the chimera of communism, socialism, and the burdensomeness of state regulations with their blunders and restrictions." Woll, acting head of the National Civic Federation, enjoys especially wide backing from big employers and, on the strength of his work for "industrial cooperation," hopes to oust Green from the Presidency of the A. F. of L. His hatred and attacks against the left wing are wild and fanatical.

Trade unions are increasingly basing their agreements on the "union-management cooperation" principles. In the anthracite coal regions, for example, this "cooperation" is being vigorously practiced. The employers are rapidly mechanizing the industry and are introducing the speed-up under various forms. In this they have the full support of the union officials. The conditions of the workers are sacrificed ruthlessly. Wide discontent prevails. But when this manifests itself openly the workers are told by both company and union officials that it is all necessary in the good cause of efficiency and "cooperation."

The "socialist" trade union leaders are fully in harmony with this entire company-unionization movement. In fact they and the progressives were pioneers in outlining many features of it. They developed the B. and O. Plan, and various phases of trade union capitalism. The extreme right wing has adopted it from them. Sydney Hillman, President of the Amalgamated Clothing Workers, with his long-time policy of speeding up the workers through standards of production, was a militant figure in developing this ultra class collaboration. His theory is to attach the union directly to the employers' producing mechanism. He said in a recent interview in *The Square Deal*:

"We are making ourselves so indispensable to the employers that they cannot get along without us. More and more managerial responsibility is delegated to the union. We are even asked to organize new shops. In these cases only the financing of the shop and the selling of the goods are left to the employer."

His union practice is in accordance with this statement. Reporting to the last convention of his union, Mr. Hillman said:

"Prolonged conferences were had with individual firms in which labor costs, overhead, sales methods, shop organization were all discussed and analyzed. The union made suggestions and took under consideration proposals of the employers. The technically trained deputies of the union worked with the management in devising more economical methods of production; whole new shops, with this effective cooperation of the union, were quickly organized and put into operation without friction and high expense of promotion."

Mr. Leo Wolman, research director and educator for the A. C. W., thus explained to a recent New York meeting the purposes of trade unionism:

"The primary aim of the labor union is to cooperate with the manufacturer to produce more efficient conditions of production that will be of mutual advantage. In some cases labor unions will even lend money to worthy manufacturers to tide them over periods of distress."

Hillman's catering to the employers inevitably involves his sacrificing the workers' interests. Conditions in the industry go from bad to worse. This produces wide rank and file discontent. Like other bureaucrats, Mr. Hillman accepts this as a logical phase of the situation and meets it, especially through the agency of his New York leader, the fascist-like Beckerman, by expulsion of left wingers, suppression of union democracy, and actual terrorism.

In the other needle trades the "socialist" leaders follow the same general policy, but not so advanced as Hillman's. The great fight now raging between "rights" and "lefts" in the garment industry centers about the general company-unionization tendency, with the "rights" yielding to it and the

"lefts" stoutly resisting it. For example, the recent cloak-makers' strike in New York turned around the demand of the employers for the right to "reorganize" their shops. That is, the employers wanted to secure the right to arbitrarily discharge yearly 10% of their employees. In this demand there is contained the whole company-unionizing tendency. Its effects would inevitably be to speed up the workers, to weaken their militancy, and to undermine the union generally. The "rights" proposed to concede this demand; the "lefts" categorically rejected it. Hence the bitter strike, with the "lefts" supported by the masses, on one side, and the "rights," backed by the employers, the press, the police, and the whole A. F. of L. bureaucracy, on the other. With the help of their "labor" allies, the employers won the right of reorganization.

The events in the needle industry epitomize the general struggle throughout the labor movement between the forces making for progress and those making for company-unionization. The difference is that the needle workers are more advanced and better able to voice their opposition than workers in other industries. Besides their industry is in a deep crisis. Everywhere the union leaders, cooperating with the employers, are driving the workers faster in production, weakening their organization, and generally laying the basis for eventual broad class upheavals of revolt.

It is not surprising that reactionary labor leaders in other countries should pattern after the new class collaboration practices in the United States. These practices have become an international pest. Since their betrayal of the big general strike, right wing union leaders in England, in the face of a growing rank and file revolt and a great capitalistic offensive, are turning more and more to "cooperation" with the employers. One manifestation of this is the new so-called "Institute of Industrial Balance," participated in by employers and such misleaders of labor as Pugh, Cramp, Snowden,

et al. This is a sort of cousin to our Civic Federation. Another organization of a similar breed is the "Industrial Peace Union of the British Empire," sponsored by J. Havelock Wilson, labor lieutenant of the shipping interests, to fight the Communist Party and the Minority Movement. Still another is "The Trade Unionists Rights League," to fight militancy in the labor movement. The employers are also forming company unions.

In Germany the new American tendencies come to an even clearer expression. The recent German trade union delegation of reactionaries learned their lesson well while in this country. Upon their return to Germany the trade union federation established a big labor bank in Berlin and, American fashion, it is feverishly raking together the pennies of the workers for investment along trade union capitalistic lines. How familiar is the tone of the following quotations; the first from Tarnow, head of the Building Trades Union, and the other from the *Metal Workers Gazette*:

"We understand how to penetrate gradually the capitalist economy. To carry on a trade union policy means to follow a course which contributes to intensifying production."

"For the workers to utilize their capital means to render their economy independent of the dictatorship instituted by commercial, industrial, and bank capital. It means to free them from the chains of the capitalist methods of production."

9. TRADE UNION CAPITALISM

Through the B. and O. Plan and similar schemes the union leaders are adopting the company unionization program of the employers, and through trade union capitalism (labor banking, investment corporations, trade union insurance companies, etc.) they are accepting the whole program of employee stock ownership and "the workers becoming capitalists" theory behind it.

Listen to the voice of Professor Carver coming from the

mouths of labor leaders. The Aug., 1925, *B. of L. E. Journal* says:

"Labor banking is the only revolution in the world worth a peck of beans. Its colossal possibilities become apparent when one considers that the total wage bill of the country is approximately one half of the 50 billion dollars financial resources of our 31,000 banks, and that the farmers' annual crops equal in value about two-thirds of the remainder. Once let a majority of the workers and farmers of America learn to concentrate their savings and their credit power in their own banks, and they can control the resources of the world's richest nation within one generation."

Says W. B. Prenter, then head of the B. of L. E.:*

"We set out with only one theory. That is the theory that in America there is no such thing as a working class as distinguished from a capitalist class. Men pass too readily from one group into the other to be tagged with class labels. . . . It is the Brotherhood's aim in its financial enterprises to show its members and workers generally how they can become capitalists as well as workers."

The leaders recognize and greet the anti-revolutionary character of all this. H. V. Boswell, a prominent labor financier of the B. of L. E., says:**

"Instead of standing on a corner soapbox screaming with rage because the capitalists own real estate, bank accounts, and automobiles, the engineer has turned in and become a capitalist himself."

The trade union leadership is adopting and widely propagating the theory that the workers can become capitalists; likewise they are advocating the method proposed by Carver and other capitalist economists for them to accomplish it, by buying control of the industries. In such poisonous propaganda lies the real danger for the workers. This tendency is most clearly expressed by the B. of L. E. officials, the outstanding and outspoken leaders of the trade union capitalism movement. Thus for example, in combination with the

**Saturday Evening Post*, Nov. 6, 1926.

***American Labor Year Book*, 1926, p. 323.

National City Bank, subsidiary of the largest bank in America, they bought \$3,500,000 worth of bonds of the International Great Northern R. R. and sold them to their members. Said W. S. Stone of this deal, one of scores like it:

"Ownership of a bond makes a man a creditor. We sold many of the Great Northern bonds to men employed on that railroad. Immediately each became concerned with the first concern of a creditor for his debtor—the debtor's solvency. Bonds bring a sense of responsibility and of security."

The labor banks, labor investment corporations, and trade union insurance companies, amassing large funds, must invest them. They do so by buying regular capitalist securities. This prepares the way for all the illusions cultivated by Carver and such capitalist propagandists that the workers can buy the industries. It also tends to paralyze the struggle of stock-owning workers against the employers by creating the false notion among the workers that because they have a thin scattering of company stocks, they have interests in common with their employers. It poisons the labor movement with graft.

The devastatingly destructive efforts of trade union capitalism upon the labor movement were amply demonstrated by the recent collapse of the B. of L. E. financial enterprises. We reserve to a later chapter the detailed analysis of this debacle, which has given the whole trade union capitalism movement a staggering, if not mortal blow.

(a) Labor Banking

Among American workers, especially the favored skilled trades, there are considerable numbers who, despite the average national weekly wage of only \$30.00 for all categories of workers, manage to set aside certain amounts as savings from their wages. To some extent these savings are the equivalent of the state unemployment, old age, sickness, and

other insurance plans to be found in various European countries. Estimates vary as to how large is the aggregate of these savings annually. Guesses as to their amount range from several hundred million to several billions. Thus, Mr. Peter Brady, President of the Federation (labor) Bank of New York, makes the following fantastic and manifestly grossly exaggerated estimate in his speech to the British Labor Congress:

“Each year \$25,000,000,000, is paid in wages to our industrial workers and from \$6,000,000,000 to \$7,000,000,000 is saved in various ways. It is this huge sum which labor banks hope eventually to control.”

The employers awoke first to the existence of considerable amounts of worker savings, and they organized strings of small savings banks, stock-selling schemes, etc., to get control of them for their own use. Now the trade union bureaucracy has learned of these funds and is proceeding to assemble them. This is the basis of trade union capitalism, expressed by labor banks, investment corporations, life insurance companies, etc. The foundation of the whole structure is labor banking.

At present there are 36 labor banks in operation. Their resources aggregate well on to \$150,000,000. Pioneers in this movement were the Trade Union Savings and Loan Bank of Seattle (1918) and the Mount Vernon Bank established by the Machinists in Washington in 1920. The labor banks are organized by single national unions or by groups of local unions of various trades. The railroad unions are the leaders in this movement. The B. of L. E. owns 12 banks with total resources of over \$50,000,000. The Federation Bank of New York has resources of about \$12,000,000. Important links in the labor banking chain are the banks of the A. C. W. and I. L. G. W. in the needle trades.

The labor banks, although widely advertising themselves as “cooperative” in character, are manifestly not genuine cooperatives. Even those that have fallen entirely into the hands

of the capitalists still call themselves "cooperatives." Control of the regular labor banks' stock is in the hands of the reactionary bureaucrats at the head of the unions. The same rule applies to all the modern trade union capitalistic institutions. Thus, for example, 51% of the stock of the \$10,000,000 B. of L. E. Investment Co. is held "by the union," which means by the already deeply entrenched reactionary upper leadership, while the rest is sold to the general membership and the public. These leaders, without check by the rank and file, use the bank funds to finance all sorts of capitalistic concerns, which they personally fatten upon. They are trade union capitalists. With the huge funds at their disposal they are building up a monstrous bureaucracy by debauching democracy in the unions, and are growing wealthy.

(b) Labor Investment Concerns

The labor bureaucrats, basing their activities upon the funds and general facilities of the labor banks, are organizing investment companies. These are all controlled by little cliques of leaders at the top of the unions, who engage in the wildest speculations. There are 11 of such investment corporations, with an aggregate paid-in capital of \$34,000,000, besides a large number of separate enterprises, including office buildings, apartment houses, coal mines, etc. There are two general types of such institutions, (a), those organized privately by little groups of high union officials, (such as the Hobart-Stone \$250,000 mail order house in Cleveland), and (b) those established by these officials in the name of their unions, (such as the Brotherhood Holding Co. of the B. of L. E.). The latter is the favorite form. It puts the full prestige of the unions behind the capitalistic enterprises and it does not lay too many obstructions in the way of the trade union leaders milking these concerns for their own benefit.

The Seattle labor movement during the war period took the initiative in this labor investment movement. Listman, Ault,

and other local labor leaders organized a series of fly-by-night capitalistic concerns, such as "United Finance," "The Listman Service," "Class 'A' Theatres," "Padilla Bay Reclamation Co.," "Deep Sea Salvage Co.," "Consumers Co-operative," etc. They were of the privately controlled type and sold blocks of stock to the unions. All failed, entailing losses to the workers estimated at from \$1,000,000 to \$2,500,000.

The labor investment movement got well under way after 1922. It grew side by side with labor banking and the B. and O. Plan. As usual in trade union capitalism generally, the B. of L. E. is the most active union also in this phase. It controls 10 investment corporations with a combined capital of \$27,000,000. It owns two great office buildings in Cleveland, and for a time held a controlling interest in the \$40,000,000 Equitable Building in New York, long famous as the largest office building in the world and located in the heart of the Wall Street financial district. It has heavy investments in banks, railroads, and various industries. Labor banks and investment companies put their money into all kinds of ventures, from building apartments to financing foreign loans.

(c) Trade Union Life Insurance

An important form of trade union capitalism is trade union life insurance companies. Employees' group insurance stimulated this movement. The Portland (1923) and El Paso (1924) conventions of the A. F. of L. gave the first big impetus to this movement. Accordingly a meeting of representatives of 50 international unions was held in the offices of the A. F. of L. in July, 1925. The conference unanimously endorsed the plan of the unions going into the life insurance business, stating:

"Life insurance is absolutely safe and the most profitable business known; the wage earner at present pays more for insurance than he

ought for the protection received; there is a need for a labor insurance company; a labor insurance company does not interfere with but enhances the value of trade union relief and benefit provision by extending insurance to families and dependents."

Out of this conference was born the Union Labor Life Insurance Co., capitalized at \$600,000. Matthew Woll is its head. It is dominated by a clique of ultra-right wing reactionaries, who hold the majority of stock firmly in their control. A few socialists and progressives are drawn to the leading committees in an effort to give the organization a mass appeal. There are a couple more of such companies already in the field: the John Mitchell and the Union Co-operative Insurance companies, the former specializing in insurance for miners and the latter for electrical workers. The railroad leaders proposed in 1925 to launch the American Endowment Corporation, to be headed by nine prominent railroad union leaders. These, with a strangle hold on the company control, were to receive half of the profits. Apparently this scheme has collapsed.

In organizing the trade union life insurance companies the bureaucrats are dreaming of billions of dollars of petty investors that they hope to secure control of. Says *The Advance*, official organ of the A. C. W., Feb., 1927:

"At the end of 1926 the Metropolitan Insurance Co. had on its books \$5,500,000,000 of industrial life insurance. Substantially all of this is the life insurance of workingmen. At the same time the company also carried \$1,400,000,000 of group insurance. This, too, is nearly all workingmen's insurance. Together the volume of workingmen's insurance now carried by one company amounts to nearly seven billion dollars."

There are other great insurance companies totalling additional billions. In a word, the plan of the bureaucrats is to compete with them and to cut into their rich field of operations. See the following picture of wealth, one of many such put out by the Union Labor Life Insurance Co. to dazzle the

workers. It shows the altogether extravagant overestimation of this entire movement by the trade union leaders:

"Life insurance is a marvellously increasing business. In the United States and Canada, at the end of 1874, there were less than 850,000 policies in force. 1924 closed with over 92 millions. The amount of insurance in force in that period increased from 2 billions to 67 billions. The business written in the respective years increased from 150,000 policies to $18\frac{1}{4}$ millions. Within the same space of time the premium receipts increased from $92\frac{1}{4}$ millions to $2\frac{1}{4}$ billions. From 362 millions, the insurance business increased to $14\frac{1}{4}$ billions. The assets increased from 400 millions to over 11 billions. And the payments to policy holders from 68 millions to $1\frac{1}{4}$ billions. These figures exclude fraternal and assessment insurance, which had its great start in the first decade of the half century period and which has increased from $1\frac{1}{2}$ billions in 1885 to 11 billions at the end of last year."

Trade union life insurance, like other forms of trade union capitalism, works injuriously upon the labor organizations. It diverts their attention from the struggle and into capitalist enterprises. It poisons the organizations with an anti-working class ideology, and subordinates them organizationally to capitalist institutions. It corrupts the leaders, enriches them, and makes them less and less responsive to rank and file interests and control. It is a menace to the labor movement.

10. "THE HIGHER STRATEGY OF LABOR"

The class collaboration policies of the bureaucracy in the new orientation, the new American reformism, which is based upon cooperating with the employers to increase production and upon trade union capitalism, and which is a cessation of struggle against the capitalists, Professor Carver classifies as "the Higher Strategy of Labor." Apparently, according to him, the "lower strategy of labor" was when the labor leaders made at least some pretense at the defense of the workers' interests. The so-called higher strategy of labor was thus

indicated by Warren S. Stone in the *World's Work*, Nov., 1924:

"Organized labor in the United States has gone through three cycles (some of the unions are still in the second). The first was the period during which class consciousness was being aroused. . . . The second was the defensive struggle for the principle of collective bargaining. This was and is a period of warfare. . . . The third cycle or phase lies in constructive development towards a system of cooperation rather than war, and the most striking evidence of this phase is the labor bank."

The speeches of Green, Woll, and other prominent reactionary union leaders, which are re-echoed throughout the entire trade union press, are saturated with these same ideas: that the crude, primitive, warlike days of labor are past and gone; that henceforth the workers will progress through "cooperation" with the employers and by saving their money. At Harvard University Green recently said:

"The trade union movement has been passing through that period when physical controversies and the tactics of force were most effective; it is now in a period when its leaders must seek the conference room and there, by exposition and demonstration, convince conferees of the justice and wisdom of its position."

Before the Taylor Society in New York he said:

"Labor realizes that the success of management means the success of labor. For that reason labor is willing to make its contribution to assist management and to bring about the right solution of problems dealt with by management. . . . The workers believe that through understanding and cooperation the best interests of all those associated with industry can be served."

In the *New York Evening Post*, Jan. 3, 1927, he said:

"Through our trade unions we are helping the workers in industry to become investors, to carry insurance, to assume a responsible part in industry and community life."

That is, teaching them to give up the fight, to accept the leadership and direction of the capitalists and to be content

with whatever few crumbs the latter may deign to throw them from their over-loaded tables.

Matthew Woll, chief spokesman of big capital in the trade unions, accepts Carver's term "the Higher Strategy of Labor" and thus defines it in a recent number of *Iron Age*:

"In its early struggles labor sought to retard, to limit, to embarrass production to obtain that which it desired. Now it seeks the confidence that it is a preserver and developer of an economic, industrial and social order in which workers, employers and the public may all benefit."

The so-called higher strategy of labor plays into the hands of the employers at every point. It is an invaluable aid for their speed up program. Already the workers are speeded to an impossible rate, and the pace grows ever faster. Thus, in 1926 the productive output of railroad labor per man was 40% greater than in 1915, and 150% more than in 1890.

In 1925 all production records of industry as a whole were broken, there being 6% more production than in 1923, yet the number of actual workers was less by 4½% than in 1923, and 7% less than in 1919. Figures for 1926 will show similar tremendous speeding up. Ewan Clague, of the U. S. Dept. of Labor, in the March, 1927, *American Federationist*, cites the following figures on the increased productivity of American industry:

	1914	1925
Rubber Tires	100	311
Automobiles	100	272
Petroleum Refining	100	183
Cement Manufacturing	100	161
Iron and Steel	100	159
Flour Milling	100	140
Paper and Pulp	100	134
Cane Sugar Refining	100	127
Leather Tanning	100	126
Boots and Shoes	100	106

The bureaucrats, with their theory of higher wages being possible only by increasing production, and their program of "cooperation" with the employers, are entirely in step with the latter's plans to exploit the workers to the limit.

In 1926 the capitalists reaped enormous, and in many cases unprecedented profits. The railroads, typical of many industries, gained a larger net income, \$1,232,000,000, than ever before in their history. Except in the cases of skilled workers, in some industries, wages have not advanced materially. The leaders, with their anaemic policy, have made no struggle to improve conditions. Often wage cuts have been suffered, as in textiles, shoes, etc. Even as I write this the United Mine Workers, undermined and demoralized by the reactionary Lewis machine, are in a life and death fight against a cut in wages in the bituminous fields. Never did the workers receive a smaller portion of what they actually produce, and their share grows steadily less. In 1849 workers received 51% of the value added to raw materials during the process of manufacture. In 1889 this had declined to 45%, and in 1923 to 41%. The "higher strategy of labor," with its policy of speed up and no struggle, will help sink this percentage still lower. The weak efforts of the leaders for the shorter work day and work week, affect only the skilled trades, and by no means offset the tremendous increases in efficiency of the workers, the chief advantage of which goes to the employers.

The new orientation of the trade union leaders towards intensified class collaboration, Mr. Carver's higher strategy of labor, devitalizes the unions. Nothing is being done to organize the millions of unorganized, nor to consolidate the ranks of the antiquated craft unions. False illusions about the benefits of the capitalist system are instilled into the minds of the workers. Trade union capitalism brings the unions into poisonous contacts with the employers and still further corrupts the leaders. Nothing is done to break with the capi-

talist parties and to found a real party of labor. With a stagnant or declining membership in the strategic industries, the unions are not holding their own as against the employers. They are a diminishing factor in the life of the working class.

More and more the bureaucrats' tendency is to cast aside the strike as a weapon against the employers. Steadily the number of strikes diminish. In 1926 there were fewer strikes than in any year since the war time. The motto of the trade union leaders is "not strikes against the employers but cooperation with (surrender to) them."

In the days when the unions still possessed some militancy the conditions of organized workers always stood forth clearly as being far better than those of unorganized workers. But now in many cases union workers are employed under conditions little if any better than those of non-union workers. This is a deadly situation. The militant employers, with their Ford systems, Mitten plans, welfare work, voluntary wage increases, etc., are claiming on all sides, with a maze of statistics, that in many instances they have established as good or better conditions in their industries than exist in industries controlled by the unions. Thus a typical argument by S. B. Peck, Chairman of the Open Shop Committee of the National Association of Manufacturers, in his pamphlet; *Soundness of the Open Shop*:

"The assertion may be boldly made that the decreasing membership in most of the unions and the great difficulty they are experiencing in holding their members together, is due to the fact that the employers—notably the once so-called 'soulless' corporations—are doing more for the welfare of the workers than the unions themselves."

The truth is, not that the "soulless" corporations are improving the conditions of the masses, but that the unions, with their corrupt and reactionary leadership, and their hopelessly antiquated policies, are failing to make an effective fight, either for the masses at large or their own membership.

Present day intensified class collaboration stifles the fight-

ing spirit of the unions and saps their vitality. A widespread lassitude and indifference among the workers towards the unions is one of the most pronounced and significant characteristics of the present situation in the labor movement. In the recent survey by the Pennsylvania Federation of Labor to find out what is the matter with the unions, 22 of 26 officials replying stated that the general state of indifference now existing among the membership is greater than ever before. Even the blackest reactionaries are forced to notice it. Thus in a recent interview, D. J. Tobin, head of the Teamsters International Union, said:

"In the old days when men fought for their unions there was a certain militant spirit pervading the air, and you heard of the union around the freight houses, wharves, and other places, you found men at meetings, you heard them out amongst their friends discussing the work of the union. Today you seldom hear members discuss anything of serious importance about the union."

Apologists for the bureaucracy have attempted to explain away this deadly indifference, this serious lowering of the organized workers' morale, by ascribing it to widespread prosperity among the workers, which they say makes a militant ideology and fighting policy impossible; to the popularization of motion pictures, the radio, and the automobile, which occupy the workers so that they do not attend meetings of their unions; to the growth of welfare systems in the industries, which tend to take away the fraternal features of the unions, etc., etc.

But such reasons are vain. The real cause is the declining role of the unions, under the new orientation, as fighting organizations. The leaders do nothing to stir the militant spirit and class enthusiasm of the workers. They fail to lead the unions in defense of the workers' interests; they resist every effort to develop the unions into organizations capable of coping with modern capitalism, they rigidly suppress all union democracy and poison the very class soul of the unions with

capitalist economics. The widespread indifference of the workers towards the unions is an inevitable result of the prevailing intense class collaboration policies of the union officialdom.

Even before the development of the new orientation, beginning about 1922, the unions suffered from the class collaborationism of the leadership. But now the situation is worse. The bureaucrats are compromising the unions on all fronts, ideological and organizational. They are not successfully defending the workers' interests now, nor are they educating and organizing the workers for the great class struggles which must come at the end of the present period of industrial activity. On the contrary, the leaders are striving to degenerate the trade unions into company unions, with the help of and under the pressure from the employers.

The great masses of workers, both organized and unorganized, live in hardships. They lack many of the real essentials of life, while on all sides they see the employers and their parasitic hangers-on rolling in wealth. They want better conditions and they display many indications that they are willing to fight for them. But to a very large extent their efforts to build real labor organizations and to wage aggressive struggles against the employers are defeated by the reactionary leaders, who play the game of the bosses. The liquidation of such chloroforming arrangements as the so-called "higher strategy of labor," the elaboration of a militant program of struggle, the modernizing of the trade unions organizationally and otherwise, the development of an honest and aggressive leadership;—are vital and inevitable steps in overcoming the present slump in the labor movement. They are essential to give expression to the workers' discontent and desire for struggle and in the development of a fighting organization representative of the workers' interests and capable of defending their interests.

CHAPTER III

REACTIONARY LABOR POLITICS

The workers in all European countries have built up mass parties of their own, Labor, Socialist, and Communist. But the organized trade union masses of the American working class still support the two great capitalist parties. The official labor political method is the so-called non-partisan system of rewarding labor's "friends" and punishing its "enemies" on the tickets of the Republican and Democratic parties.

The essence of this A. F. of L. official political policy is class collaboration. On the industrial field class collaboration manifests itself by the adoption of the speed up system and no-strike plans of the employers; and on the political field by the officials accepting the leadership of the capitalist parties and supporting the employers' political programs. Class collaboration is the subordination of the workers' interests to those of the employers on every front in the class struggle.

The traditional non-partisan policy is a golden asset to the employers. It is the apple of their eye and the darling of their agents, the labor fakers. It holds the labor movement organically locked to the capitalist class. It opens the veins of the working class to a constant poisonous blood transfusion from the festering body of capitalism. It is a highroad of the employers for the corruption of the trade union leaders and for the devitalization of the labor movement.

Before indicating how this nefarious system works and how it weakens the fighting power of the workers, a few words on its origin and development are necessary.

1. EFFORTS TO FOUND A LABOR PARTY

From their inception the trade unions, spurred on by capitalist exploitation, have shown continual tendencies to break the class shackles of the capitalist parties and to organize independent labor parties. As early as 1828 the organized workers of Philadelphia, under the influence of the carpenters' strike of a year before, launched a local Workingmen's Party, the first labor party in the United States. Two years later the trade unions of New York City also established a labor party, which soon had connections throughout the state. By 1832 the movement took on a wide scope, 50 newspapers in 15 states supporting the new party, of which the embryonic trade unions of the period were the heart. Proposals were made for the formation of a national workingmen's party, but these failed to materialize.

After this first movement, only scattered efforts were made by the unions to found a labor party until the close of the Civil War. The prevailing hard times brought bitter strikes and forced the workers to take a sharp turn to organized political action. In 1870 the National Labor Union, the first real national center of the trade union movement, declared Sylvis, head of this organization, condemned the "balance of power or make weight expedient of questioning candidates and throwing our votes in favor of such as indorsed or were pledged to our interests" as "vain and futile."* The National Labor Union called a convention and nominated candidates for the 1872 Presidential elections. The nominees refused to run, however, and the whole movement broke down in confusion.

The deep industrial crisis of 1873 produced a fresh political effort by the workers. The Greenback Party was formed in 1874. Although based primarily on the farmers, the movement contained great numbers of workers. The newly

**Biography of W. H. Sylvis*, p. 72.

organized National Party, a labor party, became part of the movement. In many places the workers also merged their local labor parties into the Greenback Party. In 1876 the party polled 1,000,000 votes, but by 1880 it was practically extinct.

In 1884 another sharp industrial crisis set in. This deepened and intensified the growing agitation among the workers. The historic 8-hour day struggle of 1886 developed. The workers plunged into politics. State and local labor parties sprang up in New York, Pennsylvania, Illinois, Wisconsin, Missouri, Colorado, Michigan, Minnesota, New Jersey, Iowa, Ohio, Maine, New Hampshire, Connecticut, etc. The A. F. of L., already in the grip of the opportunist Gompers clique, was compelled to endorse the growing movement, the 1886 A. F. of L. convention urging "a most generous support to the independent political movement of the workingmen." But the opposition of the Gompers group, the decline of the 8-hour movement, and the return of industrial "prosperity" prevented the formation of a national labor party at this time.

The hard times in the nineties developed a new political movement crystallized in the People's Party, which was not actually a labor party but a combination principally of workers and farmers. In 1894 it polled 1,564,000 votes. It was liquidated into the Democratic Party in 1896 under the leadership of Bryan.

From the early nineties efforts were seldom made directly by the unions to form labor parties, except in San Francisco and a few other places, until the big agitation of 1918-23, when labor parties were formed in dozens of states and cities. This movement gave birth to three national labor parties, the Farmer-Labor Party of the United States (Fitzpatrick), the American Labor Party (Socialist), and the Federated-Farmer Labor Party (Left wing). All are now extinct. The Gompers clique fought this entire movement bit-

terly. Their opposition was a strong factor in preventing it from developing into a mass labor party.

The great mass movement of the workers and farmers, combining the C. P. P. A. and the Progressive forces generally, under La Follette's leadership in 1924, was undoubtedly an effort on their part, regardless of the leaders' contrary views, to break with the old parties and to set up an independent party. The industrial and agricultural crises of the previous years, together with the drive of the capitalists to smash the unions and to "deflate" labor, lent heart and weight to the movement. The A. F. of L. was compelled to officially endorse it. The movement was, however, largely liquidated by the lessening of the agricultural and industrial crises and by the La Follette defeat. Only a section or two of it, as in Minnesota, survive, although there is a strong labor party tendency among the masses. The reactionary trade union leaders deserted it and fled back en masse to the old capitalist parties.

Thus all these efforts of the workers to establish an independent party, running back almost a century, have come practically to naught in the way of concrete organization. Hardly a semblance of a labor party exists anywhere. An expanding American capitalism, developing in recent years into a flourishing imperialism, has been able to still the organized upper layers of the working class with concessions, and, aided by the systematic lackeyism of the Gompers leaders, has prevented the masses from developing sufficient class consciousness and organization to break with the capitalist parties and build a party of their own. They remain tied to the two big parties of the employers. The non-partisan system still holds its own.

2. GROWTH OF THE NON-PARTISAN SYSTEM

The germs of the so-called non-partisan political system of labor rewarding its "friends" and punishing its "enemies"

are to be noted in the very beginnings of the organized labor movement. From the first there were always to be found leaders, usually controlled by the capitalist politicians, who took the opportunistic position that the workers should support their "friends" in the capitalist parties. And they sustained their contentions by arguments long made familiar by Gompers: a general denial of the class struggle, a claim that the workers are too few numerically to stand alone, an appeal not to throw away their votes but to "get what they can now" by voting for labor's "friends," an argument that the workers are of various political opinions and that an attempt to bring them into one party will destroy the trade unions, etc.*

But the non-partisan system became firmly entrenched only with the rise of the A. F. of L., which was launched in 1881. At its foundation convention the A. F. of L. struck a blow at partisan political action by forbidding members of the Legislative Committee from "publicly advocating the claims of any political parties." The 1883 convention, acting more definitely in the sense of the non-partisan policy, declared:

"We recognize in Senators Voorhees and Conger true friends in the cause of labor, and as such we recommend them to our fellow workmen."

The 1884 convention went a step farther and called upon the workers:

"To work and vote for candidates for legislative honors who have proved themselves true friends to the cause of organized labor."

The great upheaval of 1885-6 gave a set-back to Gompers' plan of keeping the workers under the domination of the two capitalist parties. As pointed out above, the A. F. of L. at least partially endorsed the big movement of that time for an independent party. But with the subsidence of the keen un-

*One of Gompers' life-long and most effective arguments against a political party for labor was his false charge that the collapse of the National Labor Union was brought about because it organized a national labor party.

rest and the liquidation of the local labor parties, the non-partisan system became intrenched. Relieved of the revolutionary pressure of the masses of unskilled, who were the body of the historic movement in the eighties, the A. F. of L., basing itself on the skilled workers, took its position definitely in the left wing of the two capitalist parties. The trade union leadership, becoming more centralized and falling more completely under the sway of the capitalist politicians, henceforth fought bitterly and effectively against the formation of local, state, or national labor parties.

In the nineties the Socialists weakened the labor party movement by committing a serious tactical blunder. They dropped the fight for a labor party based upon the trade unions. Partly because of a failure to realize the fact that in the United States, as in England, where the workers built their unions before they did their political organization, the mass party must emerge directly from the unions, and partly because of discouragement at defeats in the K. of L. and A. F. of L. and a general tendency on their part to dualism in various forms under the leadership of De Leon, they quit trying to form a labor party with the unions as its foundation. They concentrated instead simply upon building the Socialist Labor Party and later the Socialist Party upon the plan of individual membership according to the pattern of the Social Democratic Party of Germany. They failed to understand that, under the given circumstances, the best way to build the Socialist Party and to aid the broad masses to break with the capitalist parties and to take the first steps in independent working class political action was by also building the labor party. They even became bitter enemies of the labor party, arguing that it tended to supersede their own party. As late as 1913, at the Seattle Convention of the A. F. of L., the socialist delegates joined with the Gompersites in voting down a resolution by George L. Berry leading towards the formation of a labor party on the British pattern.

This grievously mistaken policy of the socialists played into the hands of Gompers. The labor party idea, attacked viciously from both the right and left for 25 years, faded and failed. The political activities of the unions as such were abandoned to the Gompersites, who skillfully directed them into "non-partisan" channels.

This wrong policy of the socialists, extended over so many years, was (together with the long-continued program of dual unionism) a powerful reason why the Gompers clique remained in control of the trade unions, why the non-partisan method of endorsing candidates on the two old party tickets became so deeply entrenched, and why the Socialists never won the leadership of the A. F. of L. It was only upon the decadence of the Socialist Party, as pointed out earlier, that the labor party idea sprang forth militantly again in the 1918-'23 period.

The reactionary leaders have always used the non-partisan system as a weapon to hold back an independent party of the workers. Every great movement of the workers to form such a party (S. P. 1907-12, F. L. P., 1918-23, etc.) has been countered by the intensification of the non-partisan system.*

3. THE NEW ORIENTATION IN POLITICS

The present swing of the trade union bureaucracy to the right, which we have called the new orientation, manifests itself by intensified class collaboration in organized politics, as well as in industry and finance. Simultaneously with the development of the B. and O. Plan, trade union capitalism, and other means for evading the struggle against the employers, the trade union leaders gradually gave up even such weak ideas as some of them may have had, of independent political action by the workers. They retreated back to the old parties. Never were they such slaves to capitalism politically as

*For more information on the labor party movement, read John Pepper: *For a Labor Party*.

they are now. Never for a generation was the movement for a mass workers' party at such a low ebb as at present.

The subserviency of the labor officials manifests itself in every possible way. Weaker and weaker become their political demands. More and more they endorse the legislative programs of the employers, more and more they accept as the workers' political standard bearers the most corrupt leaders of the two capitalist parties. They actively support capital's imperialistic program abroad, no less than at home. They are willing tools of the imperialists on every front of the far-flung struggle for world domination. The foreign policy of the State Department of the U. S. Government is always, with unimportant reservations, the policy of the A. F. of L. leadership. True to their masters, the employers, the A. F. of L. heads are fanatical opponents of the Soviet Union. The Monroe Doctrine, the Dawes Plan, and the "Open Door" in China, the three phased program of the American capitalists to subjugate the peoples of Latin America, Europe and the Far East, are also the policies of Green, Woll, Lewis, and Co. The Pan American Federation of Labor, founded by Gompers in 1918, is a tool of American imperialism; the present maneuverings of the A. F. of L. with the Amsterdam International supports the American government's policy against Soviet Russia and the growing European revolution, the endorsement of Coolidge's policy in China gives the imperialists a free hand in that country. According to the A. F. of L. misleaders, the role of the workers is not to resist and abolish imperialist exploitation at home and abroad but to foster and support it.

4. HOW THE NON-PARTISAN SYSTEM WORKS

In the reformist Labor and Socialist parties of European countries the leaders are conservative and treacherous. Their true role, even as that of the reactionary American leaders, is to prevent the workers from mobilizing their forces for a

real attack against the employers. Nevertheless such parties constitute at least a step in advance of the capitalist parties and in the direction of revolutionary organizations. In some degree they have awakened the class consciousness of the workers and taught them the necessity of class political organization. But the Gompers non-partisan system is a complete ideological and organizational surrender to capitalism. It is an utter denial of the class struggle and a deadly hindrance to class consciousness. It is a political strait-jacket for the working class.

(a) *The Appointment Bribery*

To make the non-partisan system work and to inject life into it the employers politically bribe important sections of the trade union leadership. One effective method of doing this is by appointing labor officials to well-paid political positions. These appointees then become pliant tools of the employers, ready to do any work of demoralization among the workers. They degenerate into "labor lieutenants" of the exploiters in the fullest sense of the term.

It is relatively seldom that the capitalist politicians include trade unionists on their party election tickets. This is because the union officials have but slight pulling power. They bring no inspiration to the masses. The workers have little or no confidence in them and ordinarily do not vote for them. The usual method of the capitalist politicians is to appoint these worthies to office and thus control them. In this way hundreds of labor leaders have been brought up by appointments to the maze of positions in the various city, state, and national labor departments, industrial boards, factory inspection, etc. Once in such positions these men become mere agents and organizers for the capitalist politicians who put them there. Such appointees are lost to labor.

Long lists could be cited of labor leaders thus "promoted" either for treachery in the past or in preparation for a future

career of betrayal of the workers. The employers began this system early. They gave political sinecures to Powderly and Sovereign after their reactionary activities in the Knights of Labor. They absorbed into their political machines, in order the better to hamstring the workers, such early leaders as McBride, ex-President of the Miners, Jarrett and Schaeffer, ex-Presidents of the Steel Workers, Sargent of the Railroad Firemen, and hundreds of lesser lights.

For the employers the bribery of labor leaders through political appointments has become a settled policy. A few cases to illustrate the system: E. E. Clark was head of the Order of Railroad Conductors. After many years of service in holding back the railroad workers he was appointed by Roosevelt, at the instance of the railroad companies, to a fat position on the Interstate Commerce Commission. He is now a prosperous railroad lawyer. He recently acted as a "neutral" arbitrator in the Conductors-Trainmen's wage demand under the terms of the Watson-Parker law. He is a faithful servant of the railroads.

W. B. Wilson, who was long an official of the Miners Union, received his reward for loyal services to the coal operators and the Democratic Party. He was appointed by President Wilson to the post of Secretary of Labor. His special task was to mobilize the workers into the war. His influence is steadily exerted against everything even mildly progressive in the labor movement. He is a typical "labor lieutenant."

James M. Lynch, former head of the International Typographical Union, an ardent defender of the publishers' interests and a member of the anti-socialist "Militia of Christ," was given the job of New York Commissioner of Labor at \$8,000 per year. An ultra-reactionary and foundation prop to the Gompers machine. A professional labor faker.

Daniel O'Keefe, former President of the Longshoremens' Union, was appointed Federal Commissioner of Immigration

by President Taft. J. V. O'Connor, his successor, became head of the U. S. Shipping Board. Both developed into open and inveterate enemies of unionism among the waterfront workers and seamen.

W. L. McMenimen, a long-time leader of the Railroad Trainmen. Thoroughly corrupt. A friend of the late Pres. Harding. Appointed as member of the Railroad Labor Board, at the instance of Lee, and despite protests of Stone and other railroad leaders. Salary \$10,000 yearly. An active supporter of Coolidge in 1924.

E. F. Grable, former President of the Maintenance of Way Union, openly betrayed the shopmen's strike of 1922. He was fired from office by indignant convention delegates. Later appointed by Coolidge as member of Railroad Labor Board, salary \$10,000 per year.

F. M. McManamy, formerly an official of the Locomotive Engineers. Appointed to Interstate Commerce Commission at \$12,000 per year for loyal services to the railroad companies.

James Holland, ex-President of the New York State Federation of Labor, has just received a \$7,500 per year political plum. He is a Tammany Hall labor faker rewarded. Practically all of the Presidents of this federation since its formation, including Connolly, Thayer, Dowling, O'Brien, Lavery, Murphy, Pallas, and Jones, were similarly given appointive positions by the capitalist parties, to the great detriment of the labor movement.

To this typical list could be added hundreds of other names, from New York, Philadelphia, Cleveland, Chicago, Boston, Pittsburgh, Buffalo—from every important city and state in the United States.

In Canada the same appointment bribery is used. Thus G. Robertson of the Railway Telegraphers, who supervised the breaking of the Winnipeg general strike and the abduction of its leaders to jail, was appointed by the Conservative Party

to the Canadian Senate, and thus such labor leaders as Tom Moore and Paddy Draper, Pres. and Sec'y of the Canadian Trades and Labor Congress, are given "easy" money positions on many state commissions.

During the war hundreds of labor men were appointed to all sorts of political positions. The government needed to muster the masses of workers for the struggle in France. They pressed the labor bureaucracy into their service for this purpose, and these leaders abandoned the interests of the workers completely in their eagerness to further the interests of their masters, the capitalists, in the war.

The labor leaders thus appointed are thoroughly bought up. Without exception, they either are or become ultra-conservative and they assist in keeping the workers helpless on both the political and industrial fields. They are efficient agents of the bosses and deadly barriers to working class progress.

Occasionally the capitalist politicians vary from their scheme of bribing the leaders through political appointments and allow "labor men" to be elected. Such "representatives" of labor, or "card men" as they are called, are hardly distinguishable from ordinary capitalist politicians. They are almost inevitably rotten to the core. Pittsburgh offers a typical example of such political "representatives" of the workers.

At the time our survey was made, (late in 1924), four of the nine city councillors were "labor" men. All four were Republicans. Daniel Winters, once a member of the Glass Workers Union, was President of the Council. He refers to Mr. Mellon publicly (and correctly) as "my friend Andrew Mellon." John S. Herron was once business agent of the Bricklayers Union. Chas. Anderson is a union plumber, and P. J. McArdle is a renegade from the Steel Workers Union.

These four worthies are decoy ducks. They do whatever shady work the notorious "open shop" employers of Pittsburgh demand of them. They made no opposition to the bitter repressive measures carried out against the steel strikers in

1919. During the street car strike of 1924 they voted for a fund of \$25,000 as a "protective measure," this money being spent for tear gas bombs to be used against the strikers. These labor fakers vote occasionally for labor measures, when such are of minor importance or have no chance for adoption, but in a crisis they always line up with their capitalist party and the employers. And so it is with labor's "card men" representatives everywhere who get in office under the non-partisan plan, regardless of whether they are elected or appointed. They represent not labor, but capital.

(b) Some "Friends" of Labor

Candidates on the tickets of the two capitalist parties, even those of the most liberal views, are by that very fact betrayers of the workers. Unavoidably their role is to enmesh the workers in the toils of their class enemies, the employers. Through the non-partisan system the employers, with the assistance of their "labor lieutenants," induce the workers to surrender their cause to capitalist political representatives, not only to those of a "liberal" tendency, but even to the blackest reactionaries. The criminally stupid non-partisan policy lures the workers and their leaders into the most treacherous swamps of political corruption and betrayal.

No matter how reactionary a candidate or set of candidates may be, there is never lacking a substantial body of trade union officials to endorse them as "friends" and worthy of the workers' votes. These misleaders conceive the non-partisan system as giving them a license to sell labor's vote to the highest bidder. Consequently the political records of every industrial center, as well as those of the country as a whole, are replete with instances of political debauchery committed by capitalist politicians in connection with trade union leaders. Let a few cases suffice to illustrate the general situation:

The 1926 Republican primaries in Illinois offered a typical instance: One Frank L. Smith was a candidate for Senator.

He spent \$200,000 to buy his way into the Senate, the money being contributed by big capitalists. Result, such a noisome scandal that the Senate refuses to seat him. Speaking of this incident, *Labor* (June 26, 1927), the railroad union paper, cheerfully says:

"Samuel Insull of Illinois is the big public utility man in the middle west, having charge of properties worth \$650,000,000 in Illinois alone. Frank L. Smith was chairman of the Illinois Commerce Commission, whose chief business is the regulation of Mr. Insull's utilities. Mr. Insull gave Mr. Smith \$125,000 for his campaign fund, and Smith took it. Exit Mr. Smith."

Labor fails to state that Mr. Smith was endorsed as a "friend" of labor both by the Illinois and Chicago Federations of Labor. Smith was supported by the trade union leaders, as well as by the great capitalists. Charges were made by Senator Caraway and denied later by him that labor leaders had been paid out of Smith's great slush fund. But, however this may be, two things are certain: politicians of the Smith tribe do not expect labor's support for nothing, and cold-blooded Illinois union leaders are not accustomed to work gratis. Active in endorsing Smith were the President of the Illinois Federation of Labor, John H. Walker, who a dozen years ago was a socialist; and the President of the Chicago Federation of Labor, John Fitzpatrick, four years ago the leader of the labor party movement. Both were formerly ardent denouncers of such political chicanery as they are now engaged in.

The attempt of Walker, Fitzpatrick, Olander, Nockels, *et al* to palm off the reactionary Republican, Smith, upon the workers of Illinois as their friend did not deter another strong group of union leaders from breaking loose and endorsing Brennan, the Democratic candidate, whose campaign was also financed by Insull. Thus the Illinois workers, so far as their trade union leaders were concerned, were given

the alternative of the "devil" Smith or the "deep sea" Brennan, both of whom were paid tools of Insull.

The 1927 Mayoralty elections in Chicago were also a glaring example of the weakness and corruption of the trade union leadership politically. The leadership was split in the middle. On the one side, John Fitzpatrick, Victor Olander, and scores of other officials, claiming to speak in the name of the local labor movement, endorsed for Mayor the corrupt Democratic politician, Dever; while Oscar Nelson, heading an equally imposing list of union officials, who asserted that they represented "practically every trade union in Chicago," vociferously supported the notorious Republican political mountebank, Wm. Hale Thompson.

It is such situations, repeated ten thousand times over, that have brought labor to its present demoralized and weakened condition politically.

The 1926 Republican primaries in Pennsylvania also displayed flagrant labor corruption and demoralization. The Senatorial candidates, Pepper, Vare, and Pinchot spent respectively \$1,620,000, \$600,000 and \$195,000 in their campaign. The Republican trade union leaders scattered their endorsements among the three candidates. The latter spent thousands of dollars buying up the venal labor press to support them.

In New York the official labor movement is linked through hundreds of trade union officials to the ultra-corrupt Tammany machine. These labor fakers, many of whom are parts of the "socialist" leadership of the needle trades unions, hold up to the workers as the defenders of their interests such agents of big capital as Governor Al Smith and Mayor James Walker, not to speak of hundreds of crooked city aldermen and state legislators. For this support a handful of leaders, such as Jim Holland, John Sullivan, Peter Brady, *et al*, have been given fat jobs with salaries ranging up to \$7,500 per year. A scattering of others have been elected to office here

and there, and a few bones of concessions and favors of one petty sort or another are thrown to the smaller fry. For such sops these misleaders strive to keep labor in bondage to the employers through the Democratic Party. This ignoble arrangement constitutes labor's "representation" and political organization in the great state of New York.

These New York labor politicians do whatever their capitalist masters bid them. Their record is one of unquestioning loyalty to the employing class. Recently there was a curious instance of this subserviency. The A. F. of L. Executive Council, in its war against the left wing in the New York needle trades unions, appointed a committee to investigate the 1926 fur workers' strike. This committee charged the Communist leadership with having bribed the police during the strike. Whereupon J. P. Ryan, President of the New York C. T. and L. C., as a loyal Tammany politician, sent a strong letter of protest against this charge, defending the New York police (who have broken scores of strikes) as honest ex-trade unionists.

Labor fakers look upon the endorsement of labor for political candidates in election campaigns as something to be bartered off for their own benefit. They sell the workers' political interests like any commodity. The following incident from Pennsylvania's unsavory labor history is merely a sample of the trickery and treachery that has happened innumerable times in the various industrial centers under the Gompers non-partisan political system.

In 1917 E. V. Babcock was the Republican candidate for Mayor of Pittsburgh. Babcock, a close associate of the notorious Boise Penrose, was a bitter exploiter of labor. He operated lumber camps in the south and he admitted employing convict labor. Connected up with the great steel interests, he was anathema to the workers of Pittsburgh. They inclined to vote for Magee, his opponent. Whereupon Babcock paid McGrath, Beattie, Norrington, and other leaders

of the local labor movement \$7,500 to smuggle a resolution through the Iron City Central Trades Council after regular adjournment of a meeting on the eve of the election, freeing him of all "unfairness" to labor. This resolution was spread widely over the city next day by press and poster. Babcock was elected by a small majority.

Indignation swept through the ranks of the organized workers at this sell out by their leaders. Various unions passed resolutions of protest. Committees to investigate were appointed. Everybody knew that the leaders had been bought up. The newspapers announced the price they had been paid. But these fakers, strong with the support of the national A. F. of L. machine and the local employers, laughed cynically at all efforts to expose and oust them. Nothing could be done. They remained for many years, well-paid if not honored, trade union officials. Beattie, as we shall see later, was finally exposed as a professional detective. Norrington eventually got a \$10,000 job as manager of the Pittsburgh Poster Advertising Co., though still bossing his union from the outside.

The Presidential campaign of 1924 brought out some wonderful candidates as "friends" of labor. The A. F. of L., under pressure of the masses, officially endorsed the petty bourgeois candidate, La Follette, as the political Messiah. Undeterred, Republican and Democratic trade union leaders promptly formed committees and supported the Wall Street candidates, Coolidge and Davis, as the champions of the working class. On Labor Day, 1924, a Republican labor delegation, headed by T. V. O'Connor, once chief of the Longshoremens but now head of the Shipping Board, visited the White House and pledged support to Coolidge. In this delegation, for which no doubt Coolidge's backers paid a pretty penny, were many notoriously corrupt labor leaders. Lewis of the Miners (whose organization officially stood for a labor party) sent regrets that he could not attend. His agent, Van Bittner, was present instead. Doak of the Rail-

road Trainmen, another faker, also sent regrets. During the campaign the Democratic trade union leaders, headed by George L. Berry, P. G. Morrin, J. J. Dowd, J. P. Holland, etc., organized themselves into a national movement to lure the workers into the capitalist trap represented by the Democratic candidate, Davis. The New York Federation of Labor, the Central Trades and Labor Council of New York City, and the rest of the Tammany Hall Labor machine, openly repudiated the official A. F. of L. candidate, La Follette, and declared their support of Davis.

In the same campaign, Warren S. Stone, of the B. of L. E., found a new "friend" of labor to endorse, Coleman duPont, who was a Republican candidate for Senator from Delaware. To his union membership Mr. Stone gave the following advice, quoted in a big Republican Party advertisement in the *Wilmington Labor Herald*, Nov. 1, 1924:

"We have found Mr. duPont to be a man with vision, a man with human interests, a big man doing big things in a big way, and we are sure that you will make no mistake in casting your vote for him."

Mr. duPont, a multi-millionaire, is notoriously one of the greatest labor crushing capitalists in the world. But so debased is the trade union leadership that Stone's endorsement of duPont was looked upon as quite regular. Similar endorsements of capitalist politicians occurred all over the country. To such class enemies do the corrupted labor leaders, under the non-partisan system, direct the workers for advice and guidance.

(c) *The Mulhall Exposure*

The rottenness of the Gompers system of non-partisan political action was dramatically exposed in 1913 by one Martin M. Mulhall. This worthy, a labor agent of the employers, disgruntled at their treatment of him, exposed the capitalists' whole policy of corrupting and controlling the trade union leadership. This produced a great sensation. The Senate

was compelled to investigate his astounding charges of wholesale political corruption. The investigation produced six thick volumes of damaging testimony against Gomerism in politics.

Mulhall was originally a union worker. He became involved in capitalistic politics. Possessing rare ability as a "fixer," he rapidly advanced. He was given the job of controlling the labor vote for the Republican Party, working directly for its National Committee and in close cooperation with such past masters of political manipulation as Hanna, Quay, and Platt. But after a number of years of anti-labor lobbying and acting as a political bellwether for labor sheep, he was employed by the National Association of Manufacturers to lead their bitter "open shop" fight against unionism in politics and in industry.

Mulhall's activities were multitudinous. He lobbied against every labor bill and bought up hostile legislators like fish in the market. In many places he defeated "friends" of labor in elections by placing other "friends" against them. Finally he became an open strike-breaker. To carry through his activities he bribed hundreds of labor officials, big and small, and incorporated them into his organization. These were his agents and spies, and they were everywhere. In the investigation he gave names and dates and prices paid for these labor traitors. Says Robert Hunter:*

"What we do know, and what stands out like a mountain through all this bulky mass of testimony and documents, is that scores of officials and leading spirits in the trade unions were on the payroll of the manufacturers. . . . To give here the names of the unions in which his men were members would be almost to give a roster of the unions affiliated to the A. F. of L."

Mulhall's system was based on two propositions: the bribery of influential trade union leaders and the application of the

**Labor in Politics*, p. 58.

Gompers non-partisan system. With a small army of agents at his back he was able to inject disruption and demoralization among the workers, on the general basis of supporting labor's political "friends." His agents endorsed ultra-reactionaries as "friends" of labor. Then he mustered his hired union leaders and bought-up labor papers to support them and to defeat the "friends" of labor endorsed by other sections of the labor movement. He mobilized "his" labor men to oppose labor legislation. He debauched delegates at union conventions, spending thousands to put his program over. He formed workingmen's clubs, and labor leagues to support the Republican high tariff. He even cynically related how he organized a Republican parade of 30,000 union men in Indianapolis, he himself appointing 31 marshals for the procession. When Mulhall began his activities the employers tended to fear the power of labor's non-partisan vote, but he showed them how it could not only be negated but also used as a powerful weapon against every effort of the workers politically and industrially.

Mulhall, for his time, was an effective agent of the employers to control and defeat labor. But his methods were crude compared with those now in vogue. Today is the era of super-Mulhalls, of employer control of the unions on a scale and with a finesse never dreamed of by Mulhall. Thus, to take only one example, about two years ago the leaders of the railroad unions and the heads of the railroad companies held a few secret conferences. Then, as a result of their clandestine deliberations, they unanimously petitioned Congress to adopt the Watson-Parker Law, undoubtedly one of the worst pieces of anti-labor legislation ever enacted in this country. This master-stroke of employer control of the union leadership, which hamstringing 1,800,000 railroad workers, and menaces the whole labor movement, is enough to make the pioneer Mulhall turn green with envy. For the employers, one Matthew Woll is worth a dozen Mulhalls.

(d) Doing the Employers' Work

Linked to the two capitalist parties, the reactionary trade union leaders necessarily become the agents of the employers among the workers. They preach capitalist economics. They make war against all manifestations of class consciousness. They are inveterate foes of socialism and of all things progressive in trade unions. Far better than the employers themselves could do it, these misleaders poison and confuse the ideology of the working class.

They prevent the workers from developing a definite working class political program. The program they force upon the unions is essentially that of the employers. The employers oppose government ownership; hence all the Wolls, and Greens and Doaks follow suit. The employers want the high tariff; therefore, for years, labor fakers in the textile and steel industries have been deluding the workers into supporting this capitalist measure. For a long time the conservative leaders of the Amalgamated Association of Iron, Steel, and Tin Workers, under the stimulus of the Carnegie Steel Co., fought for a high tariff, and no sooner was it secured than the same Carnegie Steel Co. forced them into the fatal Homestead strike. The employers, to defend their imperialist interests, demand militarization; hence their labor agents shout for it. These union leaders backed every phase and angle of the employers' program during the great war, and now they are helping them get ready for the next murderous slaughter. When Jim Maurer recently accused Woll, acting President of the Civic Federation, as responsible for that body's campaign to kill various old age pension bills sponsored by the A. F. of L., he barely indicated one of the most widespread forms of treachery in the labor movement, open advocacy of the employers' program by union leaders.*

*At the present writing the Chicago traction companies, facing expiring franchises, are putting across the biggest steal in the history of the city. The local street carmen's union, supported openly by the Chicago Federation of

A central and inevitable slogan of the advocates of the non-partisan system is, "Down with the Labor Party." They are frantic opponents of all attempts to unite the workers in a separate party. They divide the workers hopelessly between the two capitalist parties and seek to break up every shred of independent organization among them. One powerful group of leaders, led by Lewis, Hutcheson, Lee, and others, are affiliated to the Republican Party and seek to draw the working masses into that cesspool of betrayal, defeat, and corruption. Another group, headed by Green, Woll, Berry, *et al*, are Democrats, and work for their own capitalist party. Typically demoralizing is the situation in the Cleveland Federation of Labor, where the President is a prominent member of the Republican Party, and the Secretary is equally prominent in the Democratic Party. Or take the characteristic report of Pres. John H. Walker to the 1926 convention of the Illinois Federation of Labor. He calls upon the workers to support, for reasons he does not make known to them, 56 Republicans and 51 Democrats in the coming elections. In the face of such incredible conditions, the inevitable result of the non-partisan system, there is small wonder that American workers, thus demoralized and betrayed by their leaders, are ideologically so backward and organizationally so weak.

It is characteristic of the new American reformist tendencies that the bureaucrats do not direct the workers' attention chiefly towards the state and legislation for illusory reforms, as socialist reformists do, but mainly towards industry and finance.

The weakness of the American working class politically, one manifestation of which is its lack of representation in State and National Governments, is emphasized by the follow-

Labor, is actively assisting them. In a recent letter of this local union, endorsed by the C. F. of L., it is demanded that the traction companies be given "fair play" by the organized workers in the matter of the proposed franchises.

ing figures regarding parliamentary representation of the workers in various countries.*

Country	Labor	Socialist	Communist	Total Seats in House
Belgium	—	79	—	186
Denmark	—	52	—	149
Czecho-Slovakia	—	48	42	300
Finland	—	60	18	200
France	—	102	29	548
Germany	—	131	45	492
Great Britain	156	—	1	615
Italy	—	25	39	542
Sweden	—	104	6	230
U. S.	2	1	—	435

In addition to the three lonesome labor representatives here listed for the United States, there are 14 other "card-holders," two of them Democrats and 12 Republicans. Their legislative activities can hardly be distinguished from those of other members of these capitalist parties. It would take a Philadelphia lawyer to figure out upon what basis they are classed even as "friends," much less as representatives of labor. In the various city and state legislative bodies labor makes an equally pitiful showing.

Under such general conditions of political impotency, legislative accomplishments by labor are impossible. American workers have little legal protection for life and health. They are thrown back upon their own resources. Even real struggle for such matters is excluded under the non-partisan system. All that the workers' representatives do is to plead for a few sops from the leaders of the dominant parties, and make the most treacherous alliances in trying to secure them. The employers are masters of the situation. A dozen years

**American Labor Year Book*, 1926, p. 385.

ago even Gompers, in a statement which is as valid as ever, sized up the general state of affairs:

"We are in the United States not less than two decades behind many of the European countries in the protection of life, health, and limb of the workers."

Further comment is needless. Under the Gompers non-partisan system the workers are too demoralized politically to even unite upon a consistent program of demands, much less to fight successfully for its adoption. The employers' agents in the ranks of labor have done their disruptive work well.

The non-partisan system of political action is in itself a fruitful source of the employers' control over the trade unions. It is a broad channel leading to corruption of all sorts in the labor movement, and an open road to labor fakerism of every description. Many a promising trade union leader has been started on the way to flagrant betrayal of the workers by supporting candidates upon the tickets of the capitalist parties. This has drawn them into all kinds of illicit relations with the employers. From political faker to bribe-taker and strike-breaker and under-cover man is a downhill path which many have found it easy to take.

The non-partisan system is now and always has been a curse to the American workers. It is a prime factor in developing large numbers of the reactionary leaders into the cynical, corrupt, and pliant agents of the capitalist class that they are today. It is a great barrier to the progress of the working class. To abolish it and to build a mass labor party is one of the most urgent and vital tasks of the labor movement.

CHAPTER IV

BRIBERY AND BETRAYAL IN VARIOUS INDUSTRIES

The words "bribery" and "betrayal" are hard terms to apply to men standing at the heads of the trade unions, but they are nevertheless exact and just. No milder expressions can properly characterize the practices followed by the trade union bureaucrats. As a settled policy, they compromise the interests of the workers and in return for this they receive recompense, in one form or another, from the employers.

In all countries of the world the conservative trade union leaders constantly follow a policy which sacrifices the interests of the workers. But especially is this betrayal manifest when the aroused masses, through general strikes and uprisings, threaten to deal capitalism a heavy blow or to overthrow it. Then the reactionary trade union leaders, who do not believe in the revolution but in the gradual reform of capitalism, rush to the defense of the employers by paralyzing the attacks of the workers against them. This was the case in Germany in 1919, when the Social Democrats prevented the revolution. It happened also in the great French strikes of 1920, and in the historic British general strike of 1926. And now the conservative union leaders in these countries are following up these acts of treachery by supporting the League of Nations, the Dawes Plan, the rationalization of industry, and every other scheme calculated to put capitalism on its feet again. In these countries also the leaders are being corrupted, not only through political office but by direct monetary bribery, as witness the infamous Barmat scandal in Germany, the recent exposures of corruption in the Swedish Socialist

unions, etc. But nowhere is the betrayal of the workers by their leaders more far-reaching and fundamental, and nowhere is the bribery of these leaders more constant, systematic and demoralizing than in the United States. Here the corruption of the union leadership and the selling out of the workers has become a regular profession.

1. THE EMPLOYERS' BRIBERY

Many are the ways of the employers to bribe labor leaders. It may be direct and for cash, which has happened innumerable times. Mulhall (pp. 2626-28 of his testimony) recites the following typical incident of a Cleveland strike:

"Mulhall: Mr. Volmer (the business agent of the strikers) ordered the men back into the shop and they went.

"Sen. Reed: Did you pay him?

"Mulhall: Yes. . . . It has been a complete victory for the employers. The labor union made an unconditional surrender."

Or "consideration" for the employers in handling labor disputes may lead to very substantial industrial favors, as in the following case: The *Cleveland Citizen* of Feb. 28, 1925, says:

"Ex-Secretary John G. Owens (Cleveland Federation of Labor) is now connected with the Joseph Laronge Co., the leading real estate firm in the city. He has already put through several big deals and is learning his new trade fast."

Or take the case of Thos. Rowe, Pres. of the Flint Glass Workers Union in 1916, who is now manager of the American Bottle Manufacturing Association of Newark, Ohio. Or the case of G. W. Berger, Ex-Board member of the Window Glass Workers, who is now a Director of the National Window Glass Manufacturing Co. Or hundreds of others that might be cited who have received good jobs from the employers because of their pliability.

The employers' bribery assumes many forms. It often leads to political preferment, as we have pointed out in the previous chapter. See the typical case, for example, of the conservative Pres. T. J. Duffy of the National Brotherhood

of Operative Potters. He was given a post on the Employers' Liability Commission of Ohio, at a salary of \$5,000. Such a "reward" is undoubtedly a stimulation to other labor men to be "reasonable," as Duffy was, in their dealings with employers.

Or the bribery may take the shape of social flattery, as was well exemplified in the case of Gompers himself. Was he not lionized and made much of by all the leading statesmen and capitalists? Was he not slobbered over in the press as the greatest labor leader in the world? Anyone who believes that the oceans of flattery that were poured out upon Gompers by the big politicians and capitalists was not the sweetest music to his ears and did not influence his conduct are unacquainted with the man. The fact that he preferred the limelight and great power as President of the A. F. of L. rather than relative obscurity in the political position he might have had did not lessen the effect upon him of capitalist praise. And so it is with many reactionary union leaders. They bask and glow in the warmth of friendly capitalist publicity.*

Capitalist bribery of labor leaders is subtle. Its actual consummation in tangible results may rest far off in the future. Conservative labor members prepare to harvest it by many acts of treason to the workers that give them the reputation with the employers of being "reliable" men. These eventually get their rewards. Thus, for example, Wm. Hutcheson laid up stores of respectability for himself in capitalist opinion when, in Feb., 1918, at the request of Woodrow Wilson, he arbitrarily called off the strike of the carpenters in the eastern shipyards without even allowing them to vote upon it. The whole upper trade union bureaucracy profited likewise in the eyes of the bosses by its stand during the war, whether specific individuals immediately secured good berths or not in the state apparatus.

* A curious commentary on the standards and ideals of American labor leaders was the great encomiums poured out upon Gompers at his death because he had amassed "only" \$30,000, instead of the wealth that might have been his.

T. V. Powderly was an early labor leader who understood how to cash working class betrayal in the capitalist bank. When the Federation of Trades (later the A. F. of L.) declared the great general strike of 1886 he opposed the movement in the K. of L. convention, and when the strike spread in spite of him, he sent out a secret circular on the eve of the strike advising the Knights to take no part in it. "This," says Schilling in *The Life of Albert R. Parsons*, "prevented thousands of Knights from participating" and injured the movement profoundly. But Powderly was applauded by all the capitalists. After being cast off later by the workers he was appointed to a well-paid government position where he vegetated pleasantly for many years.

Or perhaps the capitalist bribery may work out as in the case of T. V. O'Connor, Chairman of the U. S. Shipping Board. This man, once a labor leader, has become not only a wholesale political grafter (charges were recently preferred against him) but also a labor union crusher. Says the *Locomotive Engineers Journal* of him, March, 1925:

"Andrew Furuseth, the aged but fiery head of the Seamen's Union, accuses him of breaking down the conditions of Americans at sea. Furuseth charges that the Shipping Board spent \$162,000 in 1919 to break up the Seamen's Union. . . . It is amazing that a former president of a great union like the International Longshoremen's Association should be guilty of trying to put sea conditions back to their status of 20 years ago."

Or the corruption may take place, not by bribing individual leaders, or groups of leaders alone but also categories of skilled workers whom they represent. This is the very worst form of capitalist bribery, the giving of concessions to favored groups of the labor aristocracy at the expense of the great masses of unskilled and unorganized. It has done much to undermine and weaken the trade union movement.

reaching, and insidious. It manifests itself in a multitude of forms and in a wide variety of conditions. But in all its aspects, wherever the labor leadership yields to it, it is devastating and demoralizing to the trade unions. It paralyzes their very life processes.

2. THE LABOR LEADERS' BETRAYAL

The forms under which the betrayal of the workers takes place are no less numerous and subtle than the ways in which the capitalists bribe the union leadership.

The present day general policy of the trade union bureaucrats constitutes in itself a gigantic betrayal of the working class, the worst in its history. The leaders are tending more and more to drop the strike weapon, to abandon all efforts at independent political action: that is, to practically give up the struggle against the employers and to degenerate the trade unions into mere auxiliaries of the employers, through B. and O. plans, Watson-Parker laws, and the like. By this betrayal they hope to win the support of the employers and the protection of their group interests as bureaucrats at the head of an emasculated trade union movement.

In the previous chapter we have seen some forms of betrayal in the political field: the clinging to the two capitalist parties, the sabotage of the labor party movement, the propagation of capitalist economics, the stifling of class consciousness, the support of the great war and present day militarism, the endorsement of the employers' legislative programs, etc., etc.

In the industries the reactionary trade union leaders sacrifice and compromise the workers' interests retail and wholesale in innumerable ways. They confine the unions chiefly to skilled workers, in many cases refusing to organize the unskilled workers, and trading off their interests for the sake of the skilled. Often they transform the unions into job

trusts, charging extravagant initiation fees and barring from membership, with one device or another, many workers of their own trades. All too frequently they actually sell out strikes for cash. They discriminate only against Negroes, women, and the youth in the industries and in the unions. Often they also first drive the workers into outlaw strikes and dual unions by neglecting their interests, and then, with the aid of the employers and the state, ruthlessly smash such movements. They wipe out all semblances of democracy in the unions. For fear of losing their jobs they refuse to amalgamate the weak craft organizations into industrial unions. To further the interests of their respective craft unions at the expense of other workers they engage in deadly and stupid jurisdictional wars. They often go over to the bosses' organizations after they lose their official union positions and use against the unions the knowledge, skill, and prestige that they gained in the ranks of the workers. All of which policies, neglect, and treachery constitute, in plain English, flagrant and far-reaching betrayal of the workers.

An especially disastrous form of working class betrayal is union scabbery: that is, where the leaders keep one or more unions in an industry at work while others strike. This degrading practice of union scabbery, which is more prevalent in the United States than in any other country, has lost the workers hundreds of strikes and has spread incalculable demoralization in their ranks. In numberless cases where, for example, the machinists struck, the union boilermakers stayed at work, where the carpenters went out the organized bricklayers remained at the job, where the longshoremen tried to tie up the docks the union sailors manned the ships loaded by scabs, where the printers struck the pressmen stayed at work, and where the railroad firemen declared a strike the engineers stuck at work and helped the employers break it, and vice versa, in practically all the industries. And, of course, there is also endless scabbing between the industries, the rail-

road workers haul coal produced by scab miners, the miners produce coal for scab railroads, scab steel mills, etc. The trade union leaders have done nothing to check this shameful system of mutual betrayal by the unions. On the contrary, their system of leadership being based upon it, they have clung to it and bitterly resisted every effort of the rank and file to force a consolidation of the labor organizations and to develop a real solidarity of labor.

And finally, to specify no more forms, there is the utter and shameful betrayal exemplified by the labor detective, the under-cover man of the employers. Mulhall exposed many of these degraded creatures who are often degenerate trade union officials. Sydney Howard and Robert W. Dunn, in their book, *The Labor Spy*, show how the whole contemptible system works and paint graphic pictures of many of these sorry heroes. The corrupt practices which flourish unchecked in the unions contribute largely to producing these labor spies, who, well placed and influential, infest the trade unions in astonishing numbers. When a trade union official takes money from a capitalist politician for misleading the workers in election times, or when he accepts a bribe from an employer for calling off a strike, and great numbers have done and are doing both, he is on a toboggan of corruption which may easily carry him to the very lowest depths of treachery to the working class, even to actually spying.

In the ensuing pages we shall meet with every sort of bribery and working class betrayal. We shall see the innumerable ways in which the reactionary leaders demoralize the workers and the devious ways they are recompensed therefor by the employers. It is a sad picture, and one which will shock the honest and devoted elements who make up the overwhelming mass of the rank and file and the lower officialdom of the unions, but it must nevertheless be painted. To know how corrupted the upper trade union leaders are, is the

first requisite for the launching of a movement to cleanse our organizations.

3. IN THE COAL MINING INDUSTRY

No body of workers have made a more determined and loyal fight to establish a real union than have the coal miners. For decades they have fought, and worked, and sacrificed. And no body of workers have had to contend with a more venal and treacherous upper leadership. The history of the Miners Union for the past 30 years has been marked by the most heroic struggles of the rank and file and lower officialdom and by blackest treason on the part of the general leadership.

(a) *John Mitchell*

John Mitchell was perhaps the most brilliant leader ever produced by the miners. Energetic, resourceful, a capable organizer, he came forward like a flash in the struggles of the anthracite miners in the late nineties. He quickly became President of the U. M. W. A. But just as quickly he degenerated into a tool of the employers. Debs says of him:*

"There was a time when I admired and applauded Mitchell's leadership. I thought I saw the coming of a man. But alas! Little by little, I have seen him succumb to the blandishments of the plutocrats. He is today their beau ideal of a labor leader."

Mitchell, a real Gompersite, defended capitalism in general and protected the interests of the mine owners in particular. Many acts of betrayal stand to his discredit. In 1902, he prevented the bituminous miners from striking with the anthracite miners, to the great harm of both groups and of the union as a whole. In 1903, during the bitter Colorado strike, when victory was in sight, he forced the miners in the north back to work, leaving those in the south to be starved into submission, a betrayal from which the District did not recover for many years. In 1904, in spite of a solid vote of

**Debs, His Life, Writings and Speeches.*

the union against wage cuts and for a strike, he conspired secretly with the employers and finally accepted for the union the wage reduction the employers wanted. In all these maneuvers the priest-like looking Mitchell had the support of the U. M. W. A. Secretary, W. B. Wilson, who has since become a big Democratic politician.

Mitchell was fawned upon and flattered by the capitalists. Says Lincoln Steffens of him:*

"When Mitchell came to New York in 1900 to see J. P. Morgan, the financial head of the coal business, he was not received. This year an associate of Mr. Morgan's happened to meet him socially, and when he reported what manner of labor leader Mitchell was, Mr. Morgan received him at his downtown office."

Then followed banquets and close social relations with great capitalists and politicians, Carnegie, Hanna, Belmont, Robbins, etc. At a famous Pittsburgh supper with coal operators Mitchell was presented with a "diamond badge" as a token of their esteem. He became a leading figure in the National Civic Federation and a warm friend of President Roosevelt.

These things aroused the then powerful socialists in opposition. They forced Mitchell first to quit the Civic Federation and eventually to get out of his union office.

After holding important political posts during the war, Mitchell died in 1919, a capitalist and an officer of the government. His wealth, exclusive of extensive personal property in the name of his family, totalled a quarter of a million dollars, as follows:

Stocks	\$156,000
Bonds	71,900
Notes	2,266
Bank Deposits	14,129
<hr/>	
	\$244,295

**World's Work*, August, 1902.

Among his assets were bonds of Armour and Co., and the B. & O., N. Y. C., and C. R. I. & P. railroads, all union crushing concerns. He was a "labor lieutenant" of capital well rewarded for his betrayals of the workers. His memory is revered by the A. F. of L. bureaucracy and the employers.

(b) *Miscellaneous Traitors*

Tom L. Lewis, who succeeded Mitchell as President, was guilty of various acts of treachery to the miners. He was a typical "labor lieutenant" and "red" fighter. He was driven out in 1914, and immediately became Secretary of the New River Coal Operators' Association in West Virginia. This organization is one of the bitterest enemies of the union in the West Virginia district, where the attempt to maintain a union has been made under almost civil war conditions. Working in this treachery with Lewis is E. G. McCullough, formerly Vice-President of the U. M. W. A.

John P. White, successor of T. L. Lewis, was a typical reactionary. He lined up with the Kansas operators to crush Howat and committed many corrupt acts. He retired to a political position during the war. Then he became interested in the Haynes Powder Co. For a time he worked for the operators in the Kansas and Arkansas districts. Now he is an "agreed-upon" representative of the workers and bosses in District 19, one of the worst "open shop" territories.

M. D. Ratchford, President before Mitchell, when defeated was made a commissioner for the coal operators in Illinois.

Francis Feehan, a one-time radical, was candidate for Governor of Pennsylvania on the Socialist Labor Party ticket in 1902. He defeated the notorious labor crook, Pat Dolan, Pres. of the vital Pittsburgh district in the union elections, but soon became a friend of the operators and was thoroughly corrupted. Finally he degenerated into a Republican politician, and supported Hughes for the presidency in 1916. He

was forced out of the union and is now a well-paid official in the Bureau of Mines.

Dean Haggerty, in collusion with the mine operators, ordered Cabin Creek, W. Va., miners back to work during the heat of a bitter struggle, and when they refused he cut off their strike relief. Haggerty later became a coal operator in this bloody battle ground of labor. He was formerly a prominent U. M. W. A. official.

Pat Dolan, former President of the Pittsburgh District, was a crooked tool of Al. Hamilton. Hamilton, once a newspaper man, was a slippery agent of the employers, and a well-known center of labor corruption in Western Pennsylvania. He was a sinister figure there in the life of the union, a sort of Mulhall of the mining industry, and he debauched many of the miners' leaders. Hamilton died recently and John L. Lewis travelled 1000 miles to attend his funeral.

Van A. Bittner, another tool of Al. Hamilton's, was once president of the Pittsburgh district and was driven out for crookedness. One of the most degenerate fakers in the entire history of the Miners Union, and a favorite agent of John L. Lewis, he has betrayed strikes in Kentucky, Alabama, West Virginia, Kansas, Nova Scotia, etc. He stands first as the most contemptible reactionary now on the payroll of the U. M. W. A.

Typical of the traitors in every mining district is the following list of former Indiana U. M. W. A. leaders, as furnished us by a union official. Phil. Penna is now head of a big Indiana coal operators association and leads its fight bitterly against the union. J. Boyle and W. O'Conner, former District Presidents, are now coal company superintendents. P. H. Donnie, Board Member is also a coal company superintendent. Typical also is a list from Washington: M. J. Flyzik, former President of the District, now has a good state government job. R. Harland, former President, is in the coal business, J. Wallace, former District Secretary, be-

came a commissioner for the Washington Coal Operators Association, J. Hutchinson, J. Morgan, E. Newsham, went into the coal business after getting out of their union positions. Every district shows numbers of similar fakers rewarded.

All the foregoing gentlemen thoroughly "feathered their nests" at the expense of the miners. Most of them have become wealthy. It is whole groups of such traitors that have reduced the U. M. W. A. to its present weakened condition. To the above names could be added scores of other betrayers of the miners, the Cappellinis, Phil Murrays, Fagans, Goldens, etc., who still hold official positions in the union. They are enriching themselves now and by doing the work of the coal operators are preparing to graduate into business and political sinecures.

(c) *Frank Farrington*

Frank Farrington was until a few months ago Czar of the 90,000 bituminous miners of District 12, Illinois. With the full support of the companies, he ruled with an iron hand. He was a willing tool in every treason in his own district or in the country at large. He is a prominent member of the Republican party. His whole administration was an assault on the miners' organization and their standards of living.

In 1919 a widespread revolt took place among District 12 miners who refused to suffer further his tyranny and treachery. Farrington crushed this upheaval with fire and sword, appointing hundreds of "organizers" to terrorize the men and entering into agreement with the employers to blacklist the "outlaws." Farrington was the darling of the Illinois operators. When he got married the Peabody Coal Co. gave him a big mahogany chest filled with table silver. Farrington, grown rich from graft of all kinds, has one beautiful mansion in Springfield and another in Indianapolis.

In the great national strike of the miners in 1922, in which the very life of the organization was at stake, Farrington, undoubtedly in collusion with the operators, tried to destroy the movement by proposing to sign a separate agreement for the Illinois miners. Had he succeeded in all likelihood it would have broken the strike and crippled the Miners Union nationally. But the Progressive Miners Committee, following the lead of the T. U. E. L., rallied the miners so strongly against him in mass meetings and otherwise that Farrington had to abandon his treacherous scheme.

John L. Lewis and Frank Farrington, jealous rivals, are bitter enemies. In a famous exchange of letters they accused each other of accepting bribes from the employers. Both were doubtless correct. Under pressure of the left wing in the union, however, they eventually patched up their differences and united their forces. But the vindictive Lewis was merely awaiting a favorable opportunity to knife Farrington. He got the chance when proof came to him of what the left wing had been saying for years, that Farrington was secretly on the payroll of the operators. Lewis, to get rid of his powerful enemy, denounced Farrington, then in Europe as A. F. of L. delegate to the British Trade Union Congress, as being paid \$25,000 per year by the Peabody Coal Co. Farrington admitted it. Result, exit this faker, to be succeeded by another equally as bad if not as clever, Harry Fishwick.

(d) John L. Lewis

The present head of the U. M. W. A. deserves to rank with John Mitchell as one of the most powerful and reactionary leaders in the history of the Miners Union. He hails from Illinois. He came to power by the back-door route. He was a technical worker for the union. His tool, the weak Frank J. Hayes, appointed him Vice-Pres. to fill the vacancy made by Hayes himself when he took White's place as President.

Lewis then framed-up on Hayes. He kept him drunk and finally involved him in a compromising situation which forced Hayes to resign. Lewis automatically became President. It was almost a Borgian stratagem. Lewis, among his other doubtful connections, is a national figure in the Republican Party.

Lewis' regime is a curse to the miners. His first great treason to them was his failure to organize the miners during the years 1918 to 1921. At that time he was the real power in the union, not Hayes. Had he been so minded, he could have made the coal fields of America 100% unionized. Lewis refused to do this. He failed to solve the problem of the non-union districts, and as a result these have rapidly spread until now non-union miners produce 70% of all bituminous coal. These conditions are threatening the very life of the organization.

Lewis has betrayed the miners in every district. He expelled Howat and broke the splendid Kansas organization. In Nova Scotia, in 1923, he drove the striking miners back to work with the assistance of the State and the employers. His policy ruined the union in West Virginia, Colorado, Alabama, Maryland, Kentucky, and other districts. In the great national strike of 1920, he weakly yielded in the face of the Daugherty injunction, saying that he could not "fight" the government.

Formerly the Miners Union was the most progressive organization in the American labor movement. Under Lewis it has degenerated into one of the most reactionary. The union's former progressive position on the labor party, industrial unionism, Soviet Russia, and for the various other elementary needs of the labor movement has been repudiated and reversed in recent conventions. The union democracy has been destroyed. Lewis, in cooperation with the employers, rules like a despot. Opposition leaders are ruthlessly crushed, expelled, and driven from the union and industry.

The conventions are a tragic farce. Lewis dominates them with unparalleled corruption and violence, as we shall see further along.

Lewis' master betrayal was in the great strike of the 600,000 miners in 1922. On entering this historic strike the union found itself in a most difficult position. But the situation was saved by a glorious strike of the unorganized miners, 50,000 strong, in Western Pennsylvania, home of the Steel Trust. This wonderful incident turned the tide in favor of the union. But Lewis, in signing the agreement upon the conclusion of the national strike, shamelessly betrayed these loyal miners. He made no provision for them whatever in the national and district agreements. Abandoned, sold out, they stayed on strike for several months, until they were beaten and starved into submission. This treachery has dealt the prestige and power of the U. M. W. A. a deadly blow, and made the unionization of the non-union fields extremely difficult.

The following letter, written by a man who made a good record in the steel campaign of 1918 as an organizer and who led the miners in the strike in question, but who has since become a supporter of Lewis, gives a picture of the shameful betrayal.

Charleroi, Pa., September 21, 1922.

Mr. W. Z. Foster,
Chicago, Illinois.
Dear Friend Bill:

I was pleased to hear from you, and learn that you are still in the land of the living. I surely appreciate your interest in the battle I am engaged in for industrial freedom in the Connelsville Region where industrial slavery has been in existence so long.

Bill, it looks as though you have the right dope on this situation, as I am the only international organizer in the field. National Board Member O'Leary, and district Board Member Hynes along with two of the Pittsburgh district organizers, make up the crew that are fighting this battle against the most powerful coal companies in the country. Our men are holding out remarkably. We are fighting

with our backs to the wall. Without sufficient funds or help. I have appealed time and again for assistance, but to no avail. Five thousand miners and their families have been evicted from their homes, and fifteen thousand others have been served with eviction notices. Tent colonies are erected all over the region, and twenty-five hundred hired thugs and gunmen have been deputized by the Sheriff of Fayette County. Two-Hundred State Police are scattered over the field. The jails are filled with striking miners. Six striking miners have been brutally murdered, and twenty-five others have been wounded. Hundreds have been beaten up, many of them crippled for life. Wholesale evictions are taking place daily. We need funds, and need them bad. Appeals have been sent all over the country for assistance by us, and upon this, depends the very existence of the struggling men and women of the Connelsville Coke Region.

The recent settlement, by the district officials of District No. 5 was a staggering blow to the miners of the Coke Region, when they signed for the large Hillman interests, in the old Pittsburgh District and left out the twelve mines of that company that we have organized solidly in the Connelsville field. This was the damnest blunder of the age. O'Leary and Hynes fought against this settlement, but the gang overwhelmed them. We are demanding a special convention, and it will be some convention. There will be Hell to pay. I find both International and District organizers throwing cold water on this very important situation. International Secretary William Green is the only National Official that has paid us a visit, notwithstanding that Vice-President Murray, who lives but forty miles from the seat of War, cannot find time to visit the field. Bill, I expect to be a candidate for district President, and believe me, there will be some fun. We have received the paltry sum of three thousand dollars from district 5 to help carry on the strike, with forty-five thousand men involved.

I must now draw to a close, for God's sake if you can help us, do so, we need shelter, food and clothing, children are without shoes, and unable to go to school. Wishing you every success, I remain,

Yours respectfully,

William Feeney.

P. S. Billy, I hope you are able to keep out of jail and that some of those so called Labor Leaders will take your place behind the bars where they belong. Bill, I am weary tired and indignant at the treatment we are receiving. I will invite you to convention when we get it, although we can look out for an injunction.

Thus John Brophy, former President of District 2 in Pennsylvania, in a recent union election circular against Lewis, describes the disastrous betrayal:

"The Consolidated Coal Co. in 1922 had approximately 40 mines in northern West Virginia, others in Maryland, and seven or eight in Somerset County, besides additional mines in Kentucky. The company agreed to sign up for West Virginia only and the National Union accepted this proposal over the protests of the Pennsylvania union miners. The West Virginia men went back to work under the policy of the National Union. In Maryland and Pennsylvania strikes for union recognition continued but were of no use. The company filled orders with West Virginia coal and used its West Virginia profits to ship strike-breakers into Maryland and Pennsylvania. Finally the Maryland and Somerset strikes were lost. And then the Consolidated broke with the Union in West Virginia and used Maryland and Somerset coal to crush the strike that resulted. The company is now 100% scab. Bethlehem Mines Corporation, Hillman Coal and Coke, and other big concerns were allowed to split the workers and destroy the union in the same way."

After the 1922 strike Lewis, besides abandoning the Connellsville miners, also split off the anthracite from the bituminous miners, letting each section deal with the employers separately. Consequently during the anthracite strike of 1925, the bituminous miners produced coal while their anthracite brothers struck. Meanwhile, the bituminous operators, openly repudiating the Jacksonville agreement, reduced wages and cut the union to pieces in many districts. During the past three years the union has lost 200,000 members mostly in the bituminous sections, and Lewis does nothing to stem the tide of defeat. It was indeed timely that the left wing and progressive opposition, united behind the candidacy of Brophy in the 1926 union elections, fought with the slogan of "Save the Union." Under Lewis' reactionary administration the very existence of the Miners Union, which is the backbone of the whole American labor movement, is most seriously threatened.

As I write this some 175,000 bituminous miners are locked

out. Due to the misleadership of Lewis and his like, they find themselves confronted with an extremely difficult situation. They face gigantic stock piles of coal (which of course the union railroad workers haul freely to market) and great districts like West Virginia, Kentucky, Alabama, etc., producing 70% of all bituminous coal, are non-union and remain at work. Lewis made no effort to organize and strike these districts. The 160,000 anthracite miners are also working. To make the situation worse, Lewis has inaugurated a policy of signing separate state and individual agreements. Only the greatest solidarity and heroism by the miners can win the strike. The very life of their organization is at stake, the U. M. W. A. is in the most serious crisis of its career.

4. ON THE RAILROADS

Like the miners, the railroad workers have conducted a long and bitter struggle to establish an organization capable of defending and advancing their interests. And like the miners also, among the greatest obstacles they have had to contend with is the conservatism and disloyalty of their own leaders. To the activities of union misleaders, more than to any other factor, is due to deep crisis in which the railroad unions now find themselves.

The betrayal of the railroad workers by their leaders is greatly facilitated by the existing craft unionism. This system is the unionism par excellence of the labor fakers. It is the policy of organizing the different categories of workers in many separate autonomous unions and having each fight its own battles regardless of the other unions. From the beginning this craft unionism has enabled the companies, with the help of reactionary union leaders, to defeat the whole body of railroad workers by playing off one section of them against the others. A hundred railroad strikes tell this deplorable story. The great battle of the American Railway Union,

the C. B. & Q. strike, the I. C.-Harriman line strike, the strike of the Switchmen in the Northwest, the great national strike of the railroad shopmen;—all record the same tragic policy of whole sections of the organized railroad workers kept at work and thus made to help the companies break the strikes of those workers actively striving to better their conditions. In no industry has craft unionism done more to cripple the power of the workers than on the railroads.

(a) Evils of Craft Division

Craft autonomy and craft organization demoralize the workers in their struggles. This system, under the stimulation of reactionary officials, has led to practices that bring the blush of shame to the cheek of every good union man. Not only have the organizations, driven on by treacherous leaders, practiced union scabbery repeatedly against striking brother unions and worked side by side with professional scabs, but they have often done actual, direct strike-breaking themselves. Thus, in the C. B. & Q. engineers' strike there were firemen doing the work of engineers; in the big switchmen's strike of 1909 on the G. N. union engineers and firemen helped the companies teach the scabs how to do the work of the switchmen; in the historic I. C. strike the engineers and trainmen often made running repairs on engines and trains so far as they could, thus relieving the pressure on the company's scab mechanical force, etc., etc.

A disastrous product of railroad craft unionism was the long jurisdictional struggle between the Brotherhood of Railroad Trainmen and the Switchmen's Union. This has led to open scabbery time and again. As far back as 1891 on the C. & N. W. we find the B. of R. T. filling the places of the striking S. U. The same policy has been followed for 30 years, shameless scabbery taking place during many strikes, including, among others, the D. & R. G. in 1901, the Pennsy

in 1901, the M. K. T. in 1902, the G. N. and N. P. in 1909, the Wabash in 1916, etc. Usually the B. of R. T. simply stepped into S. U. strikes, signed agreements with the companies, and furnished scabs to break the strikes. So flagrant has been the conduct of the B. of R. T. that the Chicago Federation of Labor and other central bodies upon such occasions have openly condemned it for strike-breaking. No one has profited from this devastating jurisdictional fight except the companies. It has kept the railroad unions in turmoil for a generation. The reactionaries at the head of the B. of R. T. are chiefly to blame, but Heberling, Cashen, and Connors of the S. U. are not guiltless. They have bitterly resisted all efforts to amalgamate their organization with the B. of R. T. They are typical Gompersites.

For 40 years the conservative railroad union leaders, playing the game of the companies, have stubbornly fought against every attempt to unite the railroad workers in one solid body. They have striven to preserve the system whereby a few strategically placed, well-organized workers can trade with the companies at the expense of the weaker unions and of the great masses of unorganized. Naturally the companies also have been entirely in favor of this policy. For more than a generation the prime issue that has divided reactionaries from progressives on the railroads is that of craft unionism versus industrial unionism. Craft unionism is the sign manual of the railroad labor faker, even as it is of the labor faker in many other industries.

No matter in what form the railroad industrial union idea has developed, whether through dual unions or by proposals to amalgamate the craft unions, it has been strenuously resisted by the reactionary leaders, who are always supported by the companies. The old Knights of Labor tended to combine all railroaders together. The incipient craft unions openly scabbed upon it. They did the same when Debs launched the American Railway Union and carried on the great Pull-

man strike of 1894. Incidentally Gompers took a hand to wreck this vital strike, by formally refusing to give it the active support of the A. F. of L. Smaller dual unions, such as the United Brotherhood of Railway Employees (for example the M. K. T. strike) were eliminated by a ruthless policy of open scabbery wherever they got a foothold in the industry. On the other hand, the movement to amalgamate the 16 railroad unions, which has been especially strong since the 1922 strike, meets with the united opposition of the railroad union bureaucracy, "grand chiefs" and all. It was a great mistake, however, of early industrial unionists not to have fought along the lines of amalgamating the existing unions instead of for the formation of dual unions, as the latter policy has given the reactionaries a much better opportunity to defeat them.

(b) Some Railroad Labor Reactionaries

P. M. Arthur, Grand Chief of the B. of L. E. from 1873 to 1903, originally elected as a radical, soon became a loyal servitor of the railroad companies. As early as the great 1877 strike he began to line up the engineers for the companies and against the rest of the railroad workers. He kept his men out of all joint strikes with other groups. He bitterly fought the A. R. U. strike, freely furnishing strike-breakers wherever the companies wished them. He was a life-long opponent of every form of railroad federation and amalgamation. The capitalist press was filled with his praises. While in office he became a real estate speculator, amassing a considerable fortune. He owned a beautiful mansion in Cleveland and died worth half a million dollars. Thus was this cornerstone of conservatism and corruption rewarded.

E. E. Clark, long the head of the Conductors, was an active agent against everything progressive on the railroads. Samples of his policy were seen in the Switchmen's strikes on the D. and R. G. in 1901-2, when he ordered members

of his union to take the place of strikers. In 1894 he worked openly with the General Managers' Association to break the A. R. U. strike. As pointed out in a previous chapter, he has been well taken care of by the companies for his loyalty to them.

P. H. Morrissey, former President of the B. of R. T., helped to poison this union and the railroad workers at large with corruption. One of his outstanding achievements was the organization of that remarkable experiment in class collaboration, the American Railway Employees' and Investors' Association, which has been dealt with in a preceding chapter. Morrissey became rich through his treachery to the workers on the railroads.

Warren S. Stone, successor to Arthur as Grand Chief of the B. of L. E., followed a craft policy fatal to the development of a powerful railroad unionism. He defended the engineers at the expense of the mass of railroad workers, which means that he played the railroads' game. Stone was the "business" trade union leader par excellence. He was a pioneer in labor banking and his temporarily successful financial juggling gave the entire movement for trade union capitalism a great impulse. Meanwhile he took good care of his own personal interests. He amassed at least \$500,000 from his huge salaries and many investments. He was a "progressive" in politics. The difference between him and Lee was that Stone was a liberal capitalist, while Lee is a conservative capitalist. Stone was a pillar in that enemy institution, the National Civic Federation. In a later chapter we shall have much to say about Stone and his disastrous speculations in trade union capitalism.

Wm. G. ("Bill") Lee, Grand President of the B. of R. T., is the arch-betrayer of the railroad workers. He is the worst traitor in the entire history of the railroad unionism, and that is saying a great deal. His working policy is a combination of the very worst features of craft unionism, reactionary

capitalist politics, and personally corrupt leadership. There have been no real betrayals of the railroad workers for a generation in which Lee did not take an active part. He has fought steadily against every effort to unite the railroad unions and has consistently sold out the interests of every union in the industry, including his own. He has broken strikes of the Switchmen, lured his membership into Republican politics, and discriminated against the Negroes.* He has plunged deeply into trade union capitalism and is prouder of the union's \$10,000,000 company to manufacture locomotive parts than he is of the union itself. Lee, more than anyone else, was responsible for the loss of the 1922 shopmen's strike. He was also the prime mover, in conjunction with Atterbury and other great railroad capitalists, in framing up the infamous Watson-Parker railroad law. Lee, one of the most sinister figures in all American labor history, has grown wealthy from his servility to the companies. A. A. Roe, a B. of R. T. militant, sized him up correctly when he said:**

"Christ had his Judas, Caesar his Brutus, Washington his Arnold, and the Brotherhood of Railroad Trainmen its Lee."

To the foregoing typical list of misleaders of railroad labor could be added the names of scores of others, the Grables, Jewells, Whartons, Ryans, Doaks, Fitzgeralds, etc., etc., whose melange of reactionary and corrupt practices stand as a wall against the development of a powerful and militant railroad unionism, a barrier against which the efforts of the masses of progressive workers in the industry have so far beaten in vain.

(c) *The 1922 Debacle*

In Chapter I, tracing the rise and decline of the Progress-

*A mere detail of Lee's reactionary course was the signing of an agreement with the Memphis Terminal Company providing a wage scale of \$1.00 per day less for Negroes than for whites.

***Railway Employees Betrayed*, p. 29.

ive movement, we pointed out the profound consequences flowing out of the ill-fated shopmen's strike of 1922. The unions were shattered, their federations dissolved, and their generally progressive spirit demoralized. It constituted the greatest single defeat ever suffered by the workers in this country. It was a sort of summing up of all the weaknesses of the railroad union leadership, its deep-rooted craft ideology, its personal corruption, is toadying to the railroad companies.

Lee was one of the sorry heroes of this labor catastrophe. When the conflict loomed ahead, with the companies viciously centering their attack upon the shop mechanics and the unions of unskilled workers, Lee, in 1921, split the four Brotherhoods away from the twelve other organizations with which they had been affiliated. This split in the ranks opened the door wide for the employers' great attack in 1922. Lee defended the split later as follows: (*New York Times*, Oct. 11, 1922).

"This whole business, with all railroad labor unions on one side and all railroads on the other, with the Railroad Labor Board in between, got too big for any one or a few men to handle. It was loaded with dynamite for the country as well as for ourselves and the executives. No sane government would permit any faction or class to paralyze the transportation business of the country and thereby punish the innocent, who are always in the majority. The only way out was to separate."

When the inevitable strike came in July, 1922, the four Brotherhoods, which under Lee's general leadership had been bribed with concessions by the companies, refused to participate. Then came the ignoble Grable to the fore. Although his union, the Maintenance of Way Workers, had voted 90% for a strike he refused to issue a strike call. For this treason he was later made a member of the Railroad Labor Board by Pres. Harding, and his union members got a beggarly two cents per hour reduction of the wage cut. Fitzgerald of the Railway Clerks also managed to keep his men out of the

fight, notwithstanding that they were overwhelmingly in favor of a strike. And when the train service workers on the Santa Fe, Alton and other roads, infused with a wonderful spirit of solidarity, began to strike spontaneously in spite of their leaders, Lee, in cooperation with the companies, forced them back to work.

Deserted by their nine fellow railroad unions, the seven shop unions notwithstanding reactionary leadership, fought stubbornly, but they came to a bitter defeat in a welter of betrayal by their leaders. The loss of their strike, as we have seen, is having a profoundly reactionary effect on the whole labor movement. It constitutes one of the many heavy penalties which the railroad workers in particular and the working class in general are continually paying for having capitalist-minded leaders at the head of their trade unions.

5. THE METAL TRADES

Misleadership has also been devastating to the metal workers' unions. The six principal metal trades organizations (Machinists, Steel Workers, Molders, Pattern Makers, Blacksmiths, Boilermakers) have, according to A. F. of L. 1926 reports, only 136,000 members (and this figure is padded) out of at least 3,000,000 eligible metal workers. These unions, headed by such hopeless reactionaries as Wharton, Tighe, and Wilson, are steadily declining in strength.

(a) Steel's Weak Leadership

A deadly blow was struck against unionism in the metal industry when the Carnegie Steel Co. defeated the Amalgamated Association of Iron, Steel and Tin Workers in the Homestead strike of 1892. The United States Steel Corporation struck another blow when it crushed the remnants of the A. A. in its plants in the 1901 and 1909 strikes. Since then the organization, cursed by a weak and treach-

erous leadership, has not been able to recover. It lingers along on the fringe of the steel industry, leaving severely alone the U. S. Steel and the big "independents." The officials' policy is one of utter cringing in order to maintain even this anaemic existence. This is a sad come-down for what was once the best organized and most militant trade union in America.

During 1918, by pressure from outside unions, the antiquated A. A. was crowded into the general metal trades federation which carried on the big steel organization campaign. But its leaders joined reluctantly. Tighe and Davis voted against every forward move in the entire movement. The other unions affiliated together in the campaign were the driving force. The A. A. leaders betrayed the movement at every step. At least one third of the organizing committee's time was devoted to blocking their disruptive activities. They wanted to get out of the fight, to retreat from the great Steel Trust, and to go back to their parasitic existence on the outer edges of the industry in the small, weak mills. When the big 1919-20 strike was over, they split from the other unions, thus breaking up the committee that was to carry on the reorganization of the workers. These leaders rest today with a moribund organization of less than 10,000 in a great industry of 500,000 workers. They make no efforts to organize the masses of steel workers. More, they have no desire to do so. For general incompetence to face and lead the great struggles necessary in their industry, Tighe and his confreres are hardly to be equalled in the entire labor movement. For the Steel Trust they are invaluable aids. They are strangling the steel workers' union.

The A. A., occupying a highly strategic position in the labor movement, and one where good leadership is vitally necessary, has been afflicted with an especially venal set of leaders. With but few exceptions, the higher officials have

used their positions to pave the way for their advance into well-paid berths in the industrial or political service of the enemy. In an article entitled "Steel's Lost Labor Leaders," John Fitch says:

"One significant thing about the history of the Amalgamated Association is that all of its presidents have retired while still in full possession of bodily and mental vigor. All but one retired voluntarily for the purpose of engaging in some sort of work outside of the labor movement."

All the presidents since 1875, save one, Schaffer, have stepped from their official positions to high-paid outside jobs of one kind or another. Among these were Miles Humphreys, John Jarrett, William Weihe, M. M. Garland, P. J. McCordle, and John Williams. Countless smaller officials also went the same route. These leaders advocated the high tariff, like the steel magnates and Republican politicians. Most of their promotions were to big political jobs under Republican administrations. Jarrett, before becoming U. S. Consul in Birmingham, England, under President Harrison, served as Secretary for the American Tin Plate Co. He died a rich man. Williams, who quit the presidency of the A. A. in 1918, became secretary of a steel manufacturers' association on the Pacific coast. The present officialdom of the A. A. is living up to the tradition of the organization and is quite prepared for such favors as the powers-that-be in Pennsylvania may bestow upon it in return for services performed in preventing the organization of the steel workers.

Such leaders as those of the A. A., with their eyes on future rich plums from the class enemies of the workers, are not going to liquidate their own hopes by mobilizing the masses and leading them in militant struggle against the employers. Historically, the A. A. officialdom is a bribed leadership, and today the masses of disorganized and exploited steel workers are harvesting the dead sea fruit of its poisonous regime.

(b) The Other Metal Crafts

The other fragmentary metal trades unions, the Machinists, Blacksmiths, etc., are unable, under present conditions, to defend the interests of the masses of workers in the metal industries over which they claim jurisdiction. Except for some hold in the railroad shops, they have been long since driven out of the great trustified industries, such as automobiles, agricultural implements, general machinery building, etc. Of at least 3,000,000 metal workers, less than 150,000 are organized. The unions vegetate among the weak, competitive sections of the metal industry. This unfitness to cope with modern industry is due to the failure to develop a leadership and policies adjusted to present-day conditions. The metal trades leadership is of the same colorless, venal, unimaginative type characteristic of the trade unions generally. The officials have their minds set, not upon building a great union in the teeth of the opposition, but primarily upon their own advancement. This they refuse to jeopardize by unseemly radicalism. As usual, a steady stream of them graduates from their official positions into good jobs in business and politics.

In addition to the usual selling out of strikes, and other characteristically reactionary policies, a great betrayal by the metal trades leadership is its persistent refusal to amalgamate the craft organizations into an industrial union. This failure passes far beyond the realms of a mere mistake in policy. For many years it has been clearly manifest that the system of craft organization, with its union scabbery and general pettifogging methods, is hopelessly out of date. But the metal trades leaders, including those of organizations in which the rank and file have voted for amalgamation, stubbornly refuse to consolidate their unions. Thinking only of their selfish personal interests, they fear amalgamation would displace them from their jobs. The masses of metal workers have to pay for their cupidity.

These leaders have also inexcusably failed to organize the unorganized. For the past dozen years most of the metal trades unions have had their stronghold in the railroad shops, where it has not been difficult to maintain an organization, and they have scornfully refused to organize the masses in the enormous general metal industry. Any campaigns they may undertake are purely formal. This emphasizes a general evil in the trade union movement, that of unions maintaining their base in one industry where life for them is relatively easy and refusing to organize the workers in other more difficult industries over which they claim jurisdiction. Thus for example, the Electrical Workers Union confines itself to the building trades and neglects the great public utilities and electrical manufacturing industries. In the 1922 railroad strike the metal unions paid a heavy price for their failure to organize the metal workers in other industries. These poured into the railroad shops en masse as scabs.

The metal trades unions are in a deep crisis, of which such hopelessly fossilized leaders as O'Connell have no inkling, much less a remedy for. These leaders are the originators of the reactionary B. and O. plan, and they have plunged into all the destructive features of the new intensified class collaboration movement. The metal unions should be the most powerful and militant parts of the American labor movement, but, because of incapable and corrupt leadership, they are one of its weakest and most backward sections. Only the development of a new, revolutionary leadership can and will build them into the strong organizations that they should be.

6. THE PRINTING TRADES

Wherever the trade unions are relatively well-organized the graft and betrayals of the leadership stand out more dramatically than in industries where these practices have already virtually destroyed the unions. The printing trades

are a case in point. They are composed principally of skilled workers. Their officials are notoriously unprogressive. Corrupt connections with the employers are the established rule among them. The unions' history contains, in addition to a deplorable record of general reactionary practices, a whole series of spectacular strike betrayals and violations of union democracy. The printing trades unions are saturated with conservatism. They are a stronghold of the reactionary A. F. of L. bureaucracy.

(a) *George L. Berry*

The symbol and outstanding instance of everything corrupt and reactionary in the printing trades is Major George L. Berry, President of the Pressmen's International Union. He is peer of the worst labor fakers ever developed in the entire history of the American labor movement. European labor men, unacquainted with the prevalent reaction in our unions, marvel that such a figure can pretend to be a labor leader and is able to hold on to his official position.

Berry, a former prize-fighter and ex-army officer, is one of the most blatant Chauvinists in the entire labor movement. He is a high official in the American Legion and a prominent politician in the Democratic Party. Berry's methods are without parallel. He has become a wealthy capitalist by the misuse of his official position. We shall reserve to later chapters a description of his czaristic tactics in controlling his union and his scandalous system of plundering his rank and file. Here let us cite only a few of his strike-breaking exploits.

Under Berry's leadership the Pressmen's Union carries on a policy of crassest craft betrayal. When any of the other unions in the industry strike the pressmen are ordered to stay at work. And if the local pressmen, outraged by this union scabbery, nevertheless go out in support of the strikers, Berry immediately enters into active collaboration with the em-

ployers and fills their places with scabs. He follows the same strike-breaking policy when any of his local unions strike over their own grievances, regardless of their justification, unless they get his specific permission. Berry has broken many strikes this way. One of his most infamous exploits was breaking the 1919 New York "vacationist" strike. Recently he sent professional scabs in to break the pressmen's strike in the Cuneo Co.'s plant in Chicago. Such scab-herding comes easy to Berry as he himself was originally a strike-breaker in St. Louis, where he was given a card in the union to induce him to quit scabbing.

The strike of the New York web pressmen illustrates the methods of Berry. In 1921, under influence of the great post-war drive against labor, Judge Manton, arbitrator in the New York pressmen's dispute with the employers, made an award conceding all the employers' demands, including wage reductions and drastic worsening in working conditions. Although enraged, the web pressmen fulfilled the award's terms until the agreement expired in 1923. At this time Berry, arbitrarily taking charge of the situation, dallied and delayed for weeks, maneuvering with the employers to force the workers to accept unfavorable terms. Finally the pressmen struck, tying up all the big New York papers. Berry outlawed the strike and ordered the men back to work. He also issued a call to all his locals in the U. S. and Canada to furnish scabs at \$20.00 per day and he opened an office to recruit strike-breakers. The Burns Detective Agency worked with him recruiting scabs. The strike lasted 11 days. The men were driven back to work under conditions but a little better than those of the Manton award, in the name of the sacredness of contracts. The employers praised Berry extravagantly, and so did the labor reactionaries.

Gompers wired congratulations to Berry, and when the latter appeared at the Portland convention shortly afterward

he was given a wild ovation, the delegates rising tumultuously to do him honor. Mr. Gompers said:*

"We will suspend business to hear from one who has engaged in a tremendous contest in the interest of the honor and integrity of the American labor movement."

(b) *Matthew Woll*

Woll, a Vice-President of the A. F. of L., is an evil growth of the printing trades, a brazen agent of the bosses. The Photo-Engravers' Union, of which he is President, is composed of highly-skilled workers, and is strongly organized. The officials' program is the familiar craft policy of securing concessions from the employers at the expense of the other printing trades. In every general printing trades dispute Woll's union is on the side of the employers. It rarely strikes, the employers being usually willing to secure its quiescence by granting it concessions through its conservative leaders.

Woll ranks with the darkest forces in the A. F. of L. bureaucracy. His principal activities have not been so much in the printing trades as in the labor movement at large. He is acting-President of the National Civic Federation, a prominent figure in the Democratic Party, and a representative of the Catholic Church in the trade unions. He was a member of the War Labor Board, and he so openly favored the employers as to arouse the contempt and suspicions of many liberals and labor men.

Gompers "raised" Woll to be his successor as President of the A. F. of L. Thus Woll became known far and wide as "the Crown Prince." But upon Gompers' death he failed to reach the throne, Green stepping in ahead of him. He has not lost hope, however. He systematically takes the lead away from Green by making public statements of trade union policy, in the name of the A. F. of L. His program, in a word, is to secure leadership by heading the retreat of

*Sylvia Kopald: *Rebellion in Labor Unions*, p. 234.

the bureaucracy by making concessions to the employers sooner and more drastically than even the conservative Green does.

Woll represents the extreme tip of the right wing of the A. F. of L. bureaucracy. He is the mouthpiece of big business in the unions. He is still more reactionary, if possible, than Green himself. He has behind him the most corrupt influences in the labor movement. He is a rabid opponent of amalgamation, the labor party, the recognition of Soviet Russia, and every other progressive policy in the unions. He recently "distinguished" himself by charging that the Communist leaders of the Fur Workers bribed the New York police. His calibre is to be judged by the fact that even after the A. F. of L. took over the Passaic strike he openly opposed the collection of strike funds. Throughout that great struggle he consistently defended the interests of the textile owners.

(c) James M. Lynch

This is one of the classical fakers of the Gompers regime. He is an ultra-reactionary, and a member of the Civic Federation, Militia of Christ, and Democratic Party. He was the builder of the notorious "Wahnetas," the inner circle organization to control the International Typographical Union. He was defeated in 1926 for President of his union, let it be hoped, permanently. The following from an old pamphlet by Boris Reinstein, characterizes the reactionary line of policy pursued by Lynch throughout his long labor career:

"When the Newspaper Solicitors Union in San Francisco in 1910 was compelled to declare a boycott against the publishers of a local capitalist daily, and the boycott was endorsed and taken up by the entire force of organized labor in that city, it was Lynch who telegraphed to them to stop the boycott, got the International Presidents of Union Pressmen, Stereotypers, etc., to send similar telegrams and finally succeeded in breaking the boycott with the aid of Pres. Gompers himself.

"Again, when the union pressmen were locked out by the newspaper

publishers in Chicago in 1912, and the union stereotypers joined their fight to help them in the trouble and union compositors of the I. T. U. intended to do likewise, it was Jim Lynch who rushed to Chicago and by threats of withdrawing their charter compelled the union compositors to stay in and scab it on the union pressmen."

The *Typographical Record*, June, 1927 (organ of the Progressives), gives the following item from the reactionary practices of the Lynch regime:

"This same executive Council (hangover from Lynch's time) that is now on strike against President Howard's policy of retrenchment, with the aid of a Wahneta President, turned over to John McArdle, a New York mailer, \$150,000 in checks of approximately \$10,000 each. No accounting has ever been made as to what this immense sum was used for and the reports, if any, were destroyed by order of the Executive Council."

(d) *J. D. Bannon*

This notorious figure has been head of the Newspaper and Mail Deliverers' Union in New York for 24 years. He is at the same time circulation manager for the three Hearst New York papers and seven magazines. He uses the union, which is not affiliated to the A. F. of L., to get Hearst's publications circulated at the lowest rate possible, for which Hearst pays him \$20,000 per year salary. He gathers graft from the newsdealers and collects a salary from the union. He owns a non-union news company in Newark which employs 65 workers. His profit on the circulation of one paper alone is estimated at \$350.00 per day. Naturally the workers' interests are lost sight of by Bannon. He boasts that his union has had only one strike in 24 years.

Bannon is a power in sporting, dope-selling, and bootlegging circles in New York. He has held the watch for Jack Dempsey in his fights. When meetings of his union are held, once every half dozen years, he terrorizes the workers with flocks of his gunmen cronies. These beat into

submission anyone who tries to make the union function in the interests of the membership.

Recently Bannon made a pleasure trip to Europe. He sailed on the *Berengaria*, occupying the suite that the Prince of Wales had used. He took his private secretary with him. When he returned he was given a banquet in the grand ballroom of the Hotel Astor. Over 2,000 were present at \$6.00 per plate, including many big newspaper men, capitalists, politicians, and underworld characters. Telegrams of felicitation were received from scores of business men. And such a creature of the bosses is called a "labor leader."

Often these plain agents of the newspapers stand at the head of the printing trades unions. In Omaha, for example, the dominant local figure in the Typographical Union is T. W. McCullough, an editor of the *Omaha Bee*. This ultra-reactionary has also been long a big factor in the national A. F. of L. machine.

7. THE TEXTILE INDUSTRY

The textile workers have suffered deeply from labor misleadership. Their industry, which produces great profits for the employers on the one hand and bitter poverty for the workers on the other, has long been afflicted with incompetent and untrustworthy union leaders. John Golden, for many years head of the United Textile Workers, and now dead, did much to demoralize and weaken the workers. He was a member of the Civic Federation and an old line politician. Under his regime the union withered from the usual paralyzing craft practices, personal corruption, political misleadership, official strike-breaking, and the general deadness that goes with Gompersite policies. Golden's successor, McMahon, is hardly a whit better.

Only 5 per cent of the 1,000,000 textile workers are organized, and these are scattered through a dozen unions. This weakness and dualism are largely due to the reactionary

policies of Golden and McMahon. They have ruined the prestige of the U. T. W. in the industry. Consequently the workers have made many efforts to build real fighting organizations outside of their control. No industry has had so much dual unionism. In Lawrence, after many years of experience with the U. T. W., the workers had great strikes successively under the leadership of the I. W. W. (1912), Amalgamated Textile Workers (1919), and the One Big Union (1922). In Passaic, under the banner of the United Front Committee, they followed Communist leadership in the historic 1926 struggle.

The U. T. W. leaders have the usual dog-in-the-manger policy. Unwilling and unable themselves to organize the textile workers, they bitterly resist the formation of other organizations. In the I. W. W. Lawrence strike of 1912, led by Haywood, Ettor, Flynn, Thompson, etc., they openly furnished strike-breakers. All the other strikes of independent unions have been sabotaged in one way or another. They tried to assassinate the 1926 Passaic strike. They denounced and attacked it, lending aid and comfort to the mill owners. Their local leaders tried to call off the strike and to force the workers back into the mills. The A. F. of L. Executive Council repudiated the strike publicly and condemned the sending of strike funds to its leaders. The masses of textile workers have nothing to hope for from such creatures of the employers as Golden, Conboy, and McMahon.

8. THE NEEDLE TRADES

Within the past ten years the needle trades unions, which are controlled by a Socialist bureaucracy, have fallen into corrupt and reactionary practices similar to those in typical Gompersite unions. Once they were relatively progressive and militant. They made a fight against Gompersism, but now they have surrendered to it. They have abandoned

the fight for industrial unionism, and although the rank and file have been calling for amalgamation for years, and the life of the unions depends on it, the bureaucrats block consolidation. They make no real efforts to organize the unorganized, and more and more they base their policy upon the skilled at the expense of the unskilled. They are steadily developing their alliances with the rotten Tammany political machine. They are abandoning the strike weapon and have become the champions of arbitration and the speed-up system. Grafting from the employers and pilfering from the union funds spread like a poison weed among them. They have the high salary evil fully developed. They have ruthlessly suppressed democracy in the unions and have introduced gangster terrorism. A steady stream of leaders graduate from union positions into business. They practice the reprehensible policy of making secret supplementary agreements with the employers, which nullify the written agreements. The radical phrases they utter are meaningless jingle.

The widespread corruption among socialist leaders in the needle trades works in various ways. One is the traditional strike insurance. Complaints occur in shops for violation of the agreement. The union officials, for a consideration, adjust the grievances in such a way that the employers do not have to confront a strike or to meet the agreement's terms. When employers do not "kick in with the jack" often strikes are declared against them. In many cases union officials have been found to be directly in the pay of or in other illicit relations with the employers. Thus, to cite only a couple of cases of many, J. Rubin, formerly head of the Protective Department of the New York Cloak and Dress Makers Joint Board, I. L. G. W. U., was removed as a paid agent of the bosses. Wolinsky, head of the New York Fancy Leather Goods Workers, was similarly driven from office. Harry Cohen, Manager of the New York Joint Board, A. C. W., was ousted from his job for taking

\$500 from the manufacturers, but he was later reappointed by Sidney Hillman to a well-paid union position, which he still holds. Such corruption of the leaders is of course disastrous to the growth and progress of the needle unions.

Opposed to this degenerating socialist officialdom a new militant left wing leadership is arising and stimulating the workers to struggle against the employers. The way the socialist leaders seek to break their strikes is on a par with the most reactionary practices of the extreme right wing trade union machine.

In the 1926 strike of the 10,000 New York furriers, led by Ben Gold, a Communist, betrayal by the socialist leaders reached the limit. The strike was extremely hard fought. The International union officials, together with the *Forward*, sought openly, in collaboration with the bosses, to break it. To this end they entered into an alliance with President Green of the A. F. of L. and the employers, agreed upon the famous "8-point" settlement, and tried to force the workers to accept it. But the workers rebelled, continued their strike, and finally won an agreement carrying the 40-hour week and many conditions better than those in the "8-points." This was a major defeat for Green and the officials of the Furriers' International Union.

In the great 1926 strike of the 35,000 New York cloak-makers, which was also led by the left wing, headed by Hyman, Zimmerman and Boruchovitz, the socialist leaders were even more unscrupulous in their strike-breaking tactics. They sabotaged the collection of strike funds, spread defeatism among the strikers, and used their official positions generally to paralyze the strike. They informed the bosses of the union's plans and exposed the workers' weaknesses. In Philadelphia and other cities they permitted actual scabbery. They worked hand in hand with the bosses to force the so-called "reorganization" upon the workers. This "reorganization" gives the employer the right to arbitrarily discharge

10 per cent of his workers each year. "Reorganization" speeds up the workers, kills the militancy of the union, and weakens the organization's control of the shops. The socialists accepted this infamous proposition; the left wing led the hard six months' strike against it. With the help of the socialist leaders the bosses gained their point.

The Amalgamated Clothing Workers, once the most progressive union in the needle trades, is also now sunk deep in reaction. Many of its "socialist" officials are corrupt; all are lost in conservatism. In New York, the Fascist-like Beckerman fought the cloakmakers' strike so openly as would bring a blush of shame to the cheek even of a Berry. The Cap Makers officials are travelling the same reactionary road to the right as are the heads of the other needle unions.

The situation in the needle industry is now extremely critical. The old leadership refuses to fight the employers; it will not defend the workers' interests. Consequently the unions disintegrate and are torn with internal dissensions. The right wing leaders have deliberately split the unions in order to get rid of the revolutionary elements and to hold the organizations to their present fatal policy. The amalgamation of the needle unions, the development of great campaigns to organize the masses, the initiation of a more aggressive fight against the employers, and the building of a more honest and militant leadership, are vital to the very life of these organizations.

9. THE METAL MINERS

The bribery of the trade union leaders and the consequent many-sided betrayal of the workers' interests, takes place in every industry. Just a couple of more instances will illustrate the general condition.

For many years the Butte Union of the Western Federation of Miners, later the I. U. of M. M. and S. W., was the main prop of the Moyer administration. The Butte union

was notoriously company-controlled, by methods which we shall see in a later chapter. Desperate efforts of the rank and file to cleanse it culminated in a spectacular union revolt and split in 1914, which practically killed the whole organization, nationally as well as locally. An "open shop" situation resulted in Butte. The companies forced abominable conditions on the miners. Efforts of the workers to reorganize proved futile until June, 1917, when the terrible Speculator mine disaster snuffed out 164 lives and plunged Butte into a bitter strike.

The strike was conducted by an independent union, but the strikers were willing to join Moyer's organization in a body. Moyer insisted, however, that they first give up their strike and then affiliate as individuals. This proposal demoralized the workers and contributed greatly to breaking the strike. The leaders of the other crafts, who were also involved, were no less hostile and treacherous. Said Wm. F. Dunne at the Portland, 1923, A. F. of L. convention:

"In Butte we have had our share of trouble with boss-fearing and boss-loving international officers. We witnessed, during the first great strike of 1917 . . . the spectacle of international presidents, vice-presidents, and organizers coming into a district when the wage-earners were engaged in a life and death struggle with the Copper Trust and going to the sixth floor of the Hennessey Bldg., the head offices of the Anaconda Copper Co., for consultation with the corporation heads before they even reported to the strike committees of their unions . . . with one single exception, Taylor of the Machinists Union, every international officer (and there were a dozen in Butte at the time) got his orders from the offices of the Copper Trust and became part of the machinery for breaking the strike."

10. THE PACKINGHOUSE WORKERS

The great armies of workers in the packing industry have paid a high price for the treachery and venality of their leaders. Prior to 1904 they had an organization. It was then led by Mike Donnelly. The union won a big strike

in Chicago in 1904, but unwisely allowed itself to be forced into a second strike. This was completely lost and the union crushed all over the country. One of the basic causes of the defeat was the fact that the Chicago local unions had been organized in two separate councils, the mechanical trades and the packing trades. This facilitated the treachery of the leadership. When the crisis came these councils split from each other, the mechanical trades scabbing on the packing trades. This completely demoralized the strike.

For 13 terrible years the packinghouse workers remained without organization. They were at the mercy of the packers, who reduced them to a state of slavery hardly equalled in any other industry. The half-dead Amalgamated Meat Cutters and Butcher Workmen's Union did nothing for them. Led by such Gompersites as Dennis Lane, who is reputed to be heavily interested financially in the packing business, it contented itself with organizing a few butcher shops and small packing plants. The reactionary leadership were incapable as well as unwilling to tackle the great packing industry.

Finally, in 1917, the Chicago Federation of Labor, upon motion of the writer, began a campaign to unionize the stockyards. The Butcher Workmen's Union was literally forced to join it. Great success attended the campaign. Soon not only the Chicago packing houses, but those all over the country, were organized solidly. The union lined up the 200,000 workers in the national industry. The 8-hour day, big wage increases, and radical changes in working conditions, were established. The packinghouse workers began to lift their heads after the long dark period of non-unionism.

When the 1917 movement was begun it was decided and agreed that the great mistake of 1904, the building of two stockyard councils in Chicago, should be avoided. It was recognized that to repeat this error would threaten the life of the organization. Hence the Stockyards Labor Council was

organized to include all the trades. But this progressive organization, which really led the entire movement, was almost from the first attacked by the black reactionaries at the head of the Butcher Workmen. They assailed it from all sides, demanding the formation of a separate packing trades council. They put a dozen organizers to work agitating the idea. The workers, knowing its destructiveness, revolted against it. But the Butcher Workmen officials despite all, established their packing trades council in July, 1919, in Chicago.

This broke the packinghouse union. Only 2,000 of the 50,000 organized workers affiliated to the new council. The rest stuck to the Stockyards Labor Council. These were then expelled from the Butcher Workmen and the A. F. of L. Reactionary organizers from other international unions then demanded that their locals break with the Stockyards Labor Council. Finally such chaos developed that there were three councils, the Stockyards Labor Council, the Packing Trades Council, and the Mechanical Trades Council. Besides, there were several unions entirely unaffiliated. The Chicago Federation of Labor protested against this outrageous splitting of the packinghouse workers and fought to prevent it. But Gompers supported Lane, a typical henchman, and told the Chicago Federation of Labor to take its hands off.

The packers, profiting by this situation, moved to destroy the union outright. In the fall of 1920 they instituted company unions in their plants. Then they made a general wage cut. The weakened union declared a national strike on Dec. 5. But the fakers had done their work too well. The union's fighting power was gone. On Jan. 31, the lost strike was called off. The workers surrendered unconditionally. Their promising union was completely wrecked.

Today, led by the packers' agent, Lane, the weak and decrepit Butcher Workmen's Union confines itself to organizing workers in petty butcher shops. It leaves the packinghouse workers to the mercy of the rapacious Packing Trust.

CHAPTER V

ORGANIZED GRAFT IN THE BUILDING TRADES

The direct corruption of the trade union leadership reaches its apex in the building trades. In this industry, as in no other, the officialdom is contaminated with graft of all kinds. Here the bribery of the workers' leaders is carried on most flagrantly by the employers; here the officialdom is most closely affiliated to the capitalist politicians, the boot-legging rings, and various underworld elements. The building trades are the cancer spot of the American labor movement.

The exceptional corruption of the building trades leaders develops because the peculiar conditions of their industry offer them more advantageous opportunities for graft than usual. The unions are strong, being made up mostly of skilled workers. The demand for labor power has been great for years in the expanding industry. The industry is still largely in a competitive state. It is seasonal in character, the work must be done on the spot, and the contractors are always in a tremendous hurry to finish it. All these factors combine to facilitate graft in the building trades, to enable the leaders to "stick up" the employers and workers in various ways. Very important is the tendency in the building trades for the employers and workers' leaders to form monopolistic combinations together. The employers agree to employ only union workers, and the unions contract to work only for and to use material produced only by the members of the given contractors' association. These are the so-called "Airtight" agreements. They stifle competition and give the contractors a death grip on the local building situation, for which they have to pay a price to the union leaders. In all

cities where the unions are strong this kind of combination will be found to exist. It is a prolific breeder of graft.

1. CHICAGO

Throughout the country, in every big industrial center, rank corruption prevails in the building trades. It is difficult to put one's finger on any city and say it is worse than the others. Basically the same system of corruption prevails everywhere. Its extent depends upon the strength of the unions, the intensity of the building boom, and various local factors. But Chicago stands out as a noxious example of such corruption, this being primarily due to the rapid growth of the city. For a third of a century the Chicago building trades have been the symbol of all that is venal and reactionary in the labor movement. Perhaps the situation can be best pictured by portraying a few of the outstanding building trades leaders and their exploits.

(a) *"Skinny" Madden*

"Skinny" (Martin) Madden laid the basis of organized graft in the Chicago building trades. He became a real power in the industry in 1896 as Business Agent of the Steamfitters Helpers. Bold, courageous, unscrupulous, hail-fellow-well-met, and a powerful organizer, he soon dominated the whole Chicago building trades situation. Carroll, the corrupt President of the Building Trades Council, became his tool. Soon "Skinny" reached the throne himself.

Madden mulcted the employers right and left. He levied "fines" against employers for infractions of union rules, sold them "strike insurance," declared strikes and then called them off for cash, all of which graft found its way into the pockets of himself and his cronies. In 1909 Madden, together with Mike Boyle and F. A. Pouchot, were convicted of extorting thousands of dollars from employers. In connection with this trial Luke Grant said that Madden demanded

a bribe of \$20,000 on the Insurance Exchange Building, or \$1000 per floor. He was given only \$10,000. Work stopped at the tenth story. Like his kind, Madden was connected closely with the capitalist politicians of his time. These rallied to his defense. Present at his trial were many well-known politicians. Senator Broderick put up bonds of \$50,000 for him. Madden's friends succeeded in packing the jury with union men and he and the others got off with light fines.

"Skinny" Madden ruled the unions with an iron hand. In his service was a network of plug-uglies ready to do his bidding no matter how rough the job. He was elected for life in his union. The elections were simple. All those favoring him were asked to step on one side of the hall, all those against him, on the other. Few dared risk opposing him. Mike Donnelley, leader of the Stockyards Workers, once brought in a resolution in the Chicago Federation of Labor condemning the notorious Driscoll, a pal of Madden's. Shortly afterward Donnelley was beaten and nearly killed. He never fully recovered. By gun and blackjack Madden terrorized the local labor movement.

One of the most lurid events in the history of American trade unionism was the capture of the Chicago Federation of Labor from the Madden gang in 1905 by the Fitzpatrick-Nockels-Dold progressive faction. It is a wild story of Madden's fruitless efforts to hold on by the use of gunmen, ballot box stuffing, and police assistance. Though his power was at that time broken in the Chicago Federation of Labor Madden remained Czar of the Building Trades Council for several years longer. He died in 1912.

Madden viewed the labor movement simply as a means to further his personal ends. Like labor fakers generally, if he led any fights to improve his workers' conditions, which he often did, it was because this was necessary in order to maintain the organization which was his base of operations. Madden, who came to Chicago as a hobo, became wealthy

from his knavery. A conservative estimate put his fortune at \$200,000. He owned several saloons and was interested in various other enterprises. He was a rabid opponent of socialism and every progressive movement in the trade unions. Gompers was his close ally. He sneered at honesty and earnestness in the labor movement, a favorite saying of his being, "Show me an honest man and I'll show you a fool."

In an article entitled, "The Walking Delegate," in *The Outlook*, Nov. 10, 1924, Luke Grant, who was closely in contact with Madden in his palmy days, thus describes him:

"He was flashily dressed. His trousers were fresh from the ironing board of the tailor, and his coat was the latest cut. He sported a fancy lavender-colored waistcoat, and in his shirt-front a diamond sparkled. Patent leather shoes adorned his feet. His whole appearance indicated that he had no lack of money and spent much of it upon himself."

Madden lived like a lord, in luxurious apartments. When taken to task for his wealthy manner of life he defended himself like a typical labor faker, as follows:

"Sure I have an auto. What of it? Don't the hod-carriers, plasterers and bricklayers know it? They think a lot more of me because I sport it. They say, 'Well, there's some class to our boss, ain't they?' I spend money. Sure I do. But most of it is for the good of the service, as the police department calls it. Nobody can tell me about the best way to put up a front to the whole class of workingmen. The more front you expose the more they will think of you."

(b) *Simon O'Donnell*

Following "Skinny" Madden came Simon O'Donnell as head of the 80,000 organized Chicago Building Trades Workers. O'Donnell was a pupil of the master faker, Madden. While a policeman in 1901 he became Business Agent of the Plumbers' Union. For several months he drew salaries from both jobs. A bold and unscrupulous type, O'Donnell soon forced his way to the front. He became

President of the Building Trades Council, where he remained till 1920, when he resigned after a defeat by 4 to 1 in his own union. He died in Feb., 1927, and was given a spectacular funeral. His coffin alone cost \$10,000.

O'Donnell's regime was the golden era of graft in the Chicago building trades. The various unions were in the hands of a clique of gunmen and crooks, who freely robbed workers and employers and ruled their unions by sheer terrorism. It was a period of labor shootings and labor trials for graft, such as has never been equalled in the American labor movement.

Ordinarily the Chicago employers tolerated and encouraged the building trades grafters, because they helped them maintain their monopoly control of the industry and they stood guard against too radical demands from the workers. But often, either in a period of unrest in the industry, when strikes threatened, or when the graft demands became too exorbitant, the employers protested vigorously. Then would follow exposures in the newspapers and jailings of labor leaders for grafting. Many such exposures took place. Thus in 1916, to cite only one, 14 local building trades officials were convicted of extortion. Of these 6 were sentenced to jail for from 1 to 3 years and 8 were assessed fines of from \$500 to \$2,000. As usual these grafters were played up as martyrs in the unions and their trial was made the occasion for collecting huge defense funds, a large share of which found its way into the pockets of these same grafters and their pals.

The nation-wide post-war attack against the building trades unions brought about an exposure of O'Donnell's grafting and produced a whole series of extortion trials in 1921-22. This discrediting of the union leaders was a prelude to the great building trades strikes of 1922, in which the unions, attacked through the infamous Landis Arbitration Award, fought to preserve their very existence. The most important of the many labor trials in this period, which altogether totalled 218

defendants in the State courts and 297 in the Federal courts (including many employers charged with conspiracy), was that of O'Donnell, Green Artery, and others.

In this trial the employers for days poured out stories of graft paid to O'Donnell and his clique, for insurance against strikes, for calling off strikes, as fines for using non-union material, and for violating union rules and jurisdictions, etc. In these shady deals the workers were used as mere pawns. They were often called on strike without knowing what the grievance was, and ordered back to work without an inkling of the settlement.

One member of the Wrecking Contractors' Association stated that his firm always added 20% to their contracts to cover labor graft. He declared that they maintained a "Christmas box" where money was placed for Business Agents, in the shape of donations to sick and death funds, Christmas presents, etc. Other firms alleged that they paid as high as 35% of their contracts for graft. The Lubliner and Trinz people claimed they had paid \$250,000 graft to O'Donnell and others. Charges were also made that the following items, among others, had been paid as graft to the O'Donnell clique: State-Lake Theatre, \$40,000; Roosevelt Theatre, \$15,000; Woods Theatre, \$40,000; Brighton Theatre, \$39,000; Somerset Hotel, \$20,000; Union Station, \$10,000, etc., etc. The sums alleged to have been paid to labor leaders during the previous five years ran to several million dollars.

The graft took many forms. In one case the labor fakers collected from \$1.00 to \$5.00 per theatre seat from the employers as a penalty for installing non-union-made seats. In another, the Painters Union Agents fined the theatre owners 25 cents per seat for having painted the seats before they were installed. Large sums were also collected "to fight Bolshevism in the unions." In these and dozens of other ways vast amounts of money were collected. Much of it was

supposed to go into the union treasuries, but it found its way instead to the bank accounts of the grafters. A typical sample of corruption was where an employer was told that if he wanted to avoid labor troubles on his ice plant job he would have to give the contract to the Refrigerating Machinery Co., in which Chas. Rau, an O'Donnell henchman, was interested. He did so and had no strikes.

Against these charges of wholesale corruption O'Donnell and his co-defendants made no oral defense. They sat silent, refusing to take the witness stand. The reason was obvious. Noble representatives of the working class. Their conduct was a clear admission of guilt, yet they were acquitted. O'Donnell relied upon the power of his money and his political connections to pull him through, and they did. After the trial a juror testified that he had been paid \$1,000 to work for an acquittal.

Referring to the O'Donnell regime, A. M. Bing says in *The Survey*, Jan. 15, 1925:

"The leadership of the building trades unions had been usurped by men who in many cases were not members of the craft, coming in from the outside, sometimes with a record of crime and violence, they frequently transformed union elections into pitched battles. Corrupt contractors willing to avail themselves of this situation are said to have frequently financed the campaigns for union leadership, in order to have as heads of the unions men they could control in their own interests. Large employers have admitted that some of their less scrupulous competitors have not hesitated to bribe the union agents to strike the jobs of other union contractors."

O'Donnell was a favored lieutenant of Gompers, being entrusted with many important missions by him. He became rich through his graft. He had heavy interests in real estate and the contracting business. When he died his wealth was estimated variously by the newspapers at from \$500,000 to \$1,000,000. During the war he was a super-patriot, being associated with labor crushing capitalists in many branches of

war work. How he lived may be gathered from the following news item about his palatial home.*

"Two robbers entered the home of Simon O'Donnell, 1051 Columbia Ave., late yesterday. After tying the coloured maid, they ransacked the house and took silverware, jewelry and furs valued between \$8,000 and \$10,000. Included in the loot was a sable mink coat belonging to Mrs. O'Donnell valued at \$3,700, a diamond pin set with five stones valued at \$2,500, a string of beads worth \$200, three silver cigarette cases, pearl earrings, and a number of smaller articles of jewelry, in addition to \$500 worth of silverware taken from the dining room."

Such was Simon O'Donnell, a typical American building trades union leader and tool of the employers.

(c) *Michael Boyle*

"Micky" Boyle, better known as "Umbrella Mike" is Business Agent of Local 134, and Board Member of the International Brotherhood of Electrical Workers. He is potentate of the Chicago building trades electrical workers and a real power in the organization nationally. Boyle was a pupil of "Skinny" Madden's and a "side-kick" of "Si" O'Donnell's in their palmiest days.

Boyle gained his sobriquet of "Umbrella Mike" through the way he accepted graft from building contractors in his unofficial headquarters, Johnson's saloon, 333 W. Madison St. There, while receiving his "clients," he used to hang his umbrella on the bar-edge and they would drop their "contributions" into its capacious folds. Then Boyle would hypocritically say that he had not actually taken money from them.

"Umbrella Mike" has participated deeply in the widespread corruption practiced by building trades union officials. He sells "strike insurance," and "sticks up" the employers in the most approved fashion. He mulcts the workers for exorbitant initiation fees and working permits. There is no

**Chicago Tribune*, Aug. 5, 1923.

money making scheme of the labor faker of which he is not a past master.

Closely connected with capitalist politicians, Boyle pursued his activities with relative immunity until 1917. Then he, together with three other Business Agents and ten employers, were jailed for a conspiracy to violate the Sherman Anti-Trust Law. As is usually the case Boyle had entered into a combination with these manufacturers to exclude from the Chicago market all electrical appliances made by firms outside of their clique. Through this local monopoly the favored manufacturers made enormous profits, the labor officials got fat graft, and the few workers concerned were allowed to organize. But the national "open shop" Electrical Trust smashed this monopoly and sent Boyle and the others to jail. Boyle was sentenced to a year's imprisonment and to pay a fine of \$5,000. During the trial it developed that Boyle, among his other exploits, had accepted a bribe of \$20,000 from the Chicago Telephone Co. to permit the erection of its new building without strikes.

In jail Boyle was treated like a prince. He had, so it was reported, a private office, a secretary, and business visitors. Often he was allowed to slip out at night to visit his home. While in jail he remained Business Agent of his union. Immediately after his being jailed powerful influences, such as high-priced lawyers and conservative labor leaders, were set on foot to secure his release. Simon O'Donnell went to Washington about it. Gompers wrote to President Wilson and secured a special hearing before the Attorney General. A. Mitchell Palmer, the notorious "red" baiter and general reactionary, took up the case and induced President Wilson to pardon Boyle. Upon his release from jail Boyle was presented with a \$4,500 automobile by his admiring friends.

Boyle is a pal of Governor Small of Illinois. When in 1922 the latter, charged with misappropriating State funds, was acquitted, Boyle was accused of having bribed the jury.

He fled, but turned up six weeks later and was haled before the Grand Jury. He refused to testify and was given six months for contempt of court. He jumped \$2,000 bail and disappeared. Recognized by a woman in the millionaire Rainbow Club at Tomahawk, Wis., he was eventually, after many adventures, brought back to Chicago and sent to jail. Whereupon he was promptly pardoned by his friend Governor Small. "Umbrella Mike" then returned triumphantly to Chicago, where, at the head of his union, he still flourishes.

Like other building trade officials, Boyle controls his union by bribery and force. By judiciously distributing political and industrial favors, placed at his disposal by capitalist politicians and employers, he has built up a solid clique of supporters. If this group cannot control a majority of votes peacefully then "rough-house" methods are used. On April 28, 1924, two men were killed and four were injured in an election fight in Boyle's union. Boyle returns the employers' favors by laying all possible obstructions in the way of organizing the 50,000 unorganized Chicago electrical workers of the Western Electrical Co., Chicago Telephone Co., and Commonwealth-Edison Co.

Boyle is one of the many actual capitalists among Chicago building trades officials. He is heavily interested in real estate. His real estate business is the Boyle & Hendricks Co. He is also the head of the Boyle Valve Co. By 1914 he was known to be worth \$350,000, which he amassed in eight years on a union salary of \$40 to \$50 per week. He is now popularly considered to be worth well on to \$1,000,000.

(d) Timothy Murphy

"Big Tim" Murphy is one of the most lurid leaders ever produced by the American labor movement. He represents, par excellence, the gunman type of official so prevalent in Chicago unions. He originated in the "back of the yards" district, traditional home of Chicago's toughest elements.

In 1917-18 Murphy was a Democratic representative in the Illinois State Legislature. Previously he had been a Hearst gunman in the so-called newspaper war. In 1919 he got into the labor movement actively by organizing the Gas Workers' Union. Later he came to organize or otherwise get control of many other unions, including the Bridge Laborers, Street Cleaners, Street Foremen, Asphalt Layers, Garbage Handlers, Bootblacks, Window Washers, etc. Most of Murphy's unions were of city employees and closely connected up with the big political parties, where Murphy's political affiliations served him well. He soon attached himself to the clique of gangster leaders controlling the building trades unions, and plunged not only into every known form of labor graft but engaged in other forms of crime as well. He was accused many times of murder, robbery, etc., but because of his powerful political pull he was rarely convicted. He came to be known as Chicago's most arrested man.

Murphy attracted national attention over the killing of Maurice (Mossie) Enright in 1920. Enright was a notorious labor gunman, associated with Chicago's most desperate criminals. A pal of "Skinny" Madden's, he was active in grafting and inner-union feuds for 20 years. He was a leader in the bitter jurisdictional war between the plumbers and steamfitters, in which many men were killed. His "educational committee," touring the streets in the "pirate car," terrorized his opponents. Enright participated in many shooting scrapes. In 1911 he killed Vincent Altman and "Dutch" Gentleman, two professional labor sluggers. For this he received a life sentence, but, by virtue of his pull, he was released in two years and went back to his old game of graft and terrorism, in which he had grown rich.

Enright "made" Murphy in the unions, "electing" him as organizer of the Building Trades Council and Business Agent of the Street Cleaners Union. But the militant "Big Tim" soon began to oust Enright. Bad blood brewed between

them. Bitter quarrels developed over splitting a \$10,000 bribe from the People's Gas Light & Coke Co. for preventing a strike of the gas workers, and over the control of the Gas Workers and Street Cleaners' Unions. The situation climaxed dramatically in Feb., 1920, when Enright, stepping from his automobile at his door, was riddled with bullets fired from an automobile which had followed him. Enright was buried with great pomp, his funeral being attended by Senators, Judges, Aldermen, Priests, 5,000 people and 300 automobiles.

Murphy and his "black hand" friends, Carozzo, Cosmano and Vinci were arrested for the murder. Cosmano was shown to be the man who fired the shots. Boglio the owner of the car said he had loaned it to Carozzo who was accompanied by Murphy. Vinci, the car driver, declared they had followed Enright for weeks before they "got" him. Things looked black for Murphy. But of a sudden the skies cleared mysteriously and completely. Fusco and Cifaldo, the two key witnesses disappeared and Vinci repudiated his confession. So Murphy walked free from jail without even going to trial.

Soon Murphy was in trouble again. Twenty days after his release in the Enright affair he and Cosmano were arrested for a \$100,000 mail robbery in Pullman. He managed to squirm out of this also.

The great Chicago building trades struggle of 1922 found Murphy in the middle of the picture. The employers, through the so-called Landis Award, dealt the local unions a shattering blow and established semi-non-union conditions. Most of the reactionary leaders, Murphy among the rest, traitorously accepted the award although the masses of the workers bitterly opposed it. The Carpenters, Painters and a few other trades struck against it. The Building Trades Council split in two, many of the unions remaining at work. The strike was exceedingly bitter. Wholesale bombings of union and non-union workers and buildings took place. It

climaxed in the killing of two policemen. Wild excitement prevailed and, in a lynching spirit, the police raided all the offices of the local building trades unions and arrested 200 officials. Murphy, "Frenchy" Mader, and "Con" Shea, although professed supporters of the Landis Award, were charged with the murders. With his usual braggadocio Murphy ridiculed the whole affair as a "seven days' wonder that would soon blow over." He was right. Eventually the charges against him were dropped.

Meanwhile Murphy, for whom even the high salaries and rich graft in the unions were insufficient, had continued to ply his trade of large scale crime on the outside. At the time of the Landis Award affair, he had been also convicted of participation in the \$338,000 Dearborn St. station mail robbery of April 6, 1921. For this he was given six years in Leavenworth penitentiary and a fine of \$20,000. After a bitter legal fight, during which Murphy was a spectacular hero in the newspapers, he had to go to jail. For once his political "pull" failed him.

"Big Tim" rules his unions with Fascist tactics. While he was in jail for the Enright affair the Acting President of one local tried to break Tim's control of the Gas Workers' Union. Murphy fixed him for this. Arriving at the union meeting, Tim unceremoniously kicked out the usurper and seized control of his old \$100 per week job. Sneering at the union policies that had been in effect during his imprisonment, he said:

"This Union has been run on a Sunday school basis where they give out stogies and punch the bag and don't accomplish anything. . . . A man that can't fight don't amount to much. They don't use boxing gloves in the labor movement, they use Smith and Wessons."

The *Chicago Tribune* thus described Murphy's return from prison:

"When Murphy was released from jail in the Enright case he was received with open arms at the City Hall, where he went to call, followed by a troop of admirers. Murphy is a kind of hero to thousands."

While in jail for the Dearborn St. station mail robbery Murphy was re-elected President of his unions. During his absence his energetic wife attended to the actual organization affairs. Upon his recent release he triumphantly resumed his place as a leader of Chicago labor. His most recent exploit was the operation of a gorgeous gambling house, located on Chicago's "Gold Coast." It was, until raided and broken up by the police, the most luxurious joint ever known in Chicago. Losses of "suckers" ran as high as \$50,000 per night.

"Big Tim" is, of course, quite innocent of any theoretical knowledge of the class struggle. To him, as to most of the building trades leaders, the labor movement is merely an easy way to get rich quick. The unions are primarily a means to fatten the bureaucracy; the workers get only enough out of them to induce them to hold the organizations together. Murphy is connected with many business ventures. His home is in an aristocratic section of Chicago and he is reputed to be rich. In his usual picturesque, slangy way he thus sums up his role in the labor movement:

"I'm still pretty much of a kid, but I made a million, and spent a million, and I figure I'll make another million before they plant me."

(e) Miscellaneous Chicago Types

Fred ("Frenchy") Mader, formerly Business Agent of the Fixture Hangers' Union, was a crony of Tim Murphy's in many of his deals. Mader's shady activities were multitudinous. He had a hand in the "easy money" in the building trades and was connected from time to time with the saloon business, gambling joints, bootlegging outfits, and other underworld enterprises. He has a long police record as a crook and a thug. In 1921 Mader did a "stretch" in Joliet penitentiary for extorting money from employers. Upon his

release he, in company with Tim Murphy and other gunmen, seized the Presidency of the Building Trades Council, which he held for a short time. He was an active advocate of the Landis Award. Finally condemned by his international union, he was fined \$5,000 and suspended from membership for five years. Mader complained of the hardness of his lot and the ungratefulness of the labor movement, saying (*Chicago Tribune*, May 30, 1923):

"If I had devoted my time to the real estate business and not become a labor leader I would be worth \$500,000 today and not the \$100,000 I've accumulated. No more labor stuff for me. From now on it is me for the real estate business."

Tom Kearney, Business Agent of the Plumbers Union, was a protege of "Skinny" Madden. He also worked closely with "Si" O'Donnell and put over many of the latter's big graft deals.* Kearney became President of the Building Trades Council upon the compulsory resignation of O'Donnell. He accepted the Landis Award, but resigned in 1922 when the fight against it grew hot. He was indicted in 1921 as an extortionist and was also involved in the Walsh and Enright murder cases. In 1921 Kearney was worth \$200,000, including a store and apartment house valued at \$170,000 (incumbrances \$92,000), 272 shares of Balaban and Katz motion picture theatre stock, 350 shares of the Kearney-Dailey Glass Co., and 695 shares of the Ajax Rubber Co. stock. He died in 1924.

Peter Shaughnessy, President of the powerful Chicago Bricklayers' Union, is also head of the Washington Construction Co., a firm doing man-hole contract building. For many years Shaughnessy, who is one of the dominant forces in his International Union, has used the power of his union, industrially and politically, to direct business into the hands of his company. Thus he has almost succeeded in setting up a local monopoly of this class of work in Chicago. This has

**Report of Illinois Building Investigation Committee*, pp. 50-58.

led to complications. In 1923, when the head of the Board of Local Improvements tried to divert some of this business to the Union Contracting Co. (one of the officials of which is Arthur Wallace, former bodyguard of the wealthy Lindelof, head of the Painters' District Council 1), Shaughnessy promptly struck the jobs of the rival company. He is one of the richest of Chicago's many wealthy "labor leaders." He also has a jail record for extortion.

Michael Artery, Business Agent of the Metal and Machinery Movers' Union and a Vice-President of the Structural Iron Workers' International, is one of the bright stars in the constellation of Chicago's building trades labor fakers. Artery has been involved in various extortion trials. He was a specialist in "strike insurance" and in collecting "fines" against non-union made machinery before it could be installed. Artery was the man who made the motion in the Building Trades Council to accept the Landis Award. How much the employers paid such leaders in order to "put across" this infamous award has never been divulged. Like most of corrupt union officials, Artery is in the real estate business. The *Chicago Daily News*, April 5, 1924, cites him as selling a 24 apartment building to G. Bethke for \$170,000. The daily papers of March 1, 1925, announced that Artery had just bought a \$210,000 apartment building from Louis Dulsky, giving in part payment an 18 apartment building valued at \$130,000. His realty holdings are estimated to total at least \$500,000. Nothing slow about this "proletarian."

To the foregoing corrupt Chicago building trades officials could be added the names of scores of others, many of them rich, such as Shields, Curran, Lindelof, Cleary, Brime, Jensen, Conroy, Tagney, Redding, Walsh, Hahn, Gunther, Sullivan, Knot, Staley, Kane, Hanson, etc., etc. But those cited suffice to paint the picture. There are many honest officials in the building trades and they do much to offset the harm done by the grafters. But the "burglars," as they are popu-

larly termed, are the typical and dominant element. Their evil influence spreads far and wide.

Closely connected with the building trades corruptionists are the grafters in many other unions. The Teamsters' Unions have a nest of them.* A shining example is "Con" Shea. This man, at the time President of the International Brotherhood of Teamsters, led the great Chicago Teamsters' strike of 1905 in which 21 men were killed and 415 wounded. Shea was then a pal of the notorious labor grafter, J. C. Driscoll, a man who had sold out dozens of strikes and who admitted that he had a gross annual income of \$60,000. The teamsters' strike was lost, charges being made that Shea sold it out. In 1909 Shea, then Secretary of the New York Teamsters' District Council, brutally stabbed his sweetheart, Alice Walsh, 38 times, almost killing her, for which he was sent to Sing Sing prison for six years. Released, Shea returned to Chicago. Since then he has been a member of the Building Trades ring, with a reeking record of labor grafting, automobile thievery, bootlegging, white slavery, shady business deals, corrupt politics, jury fixing, etc. He is a special friend of Tim Murphy and he has been arrested many times. Hutchins Hapgood thus writes of this "representative" of the trade union movement:**

"I met Shea on several occasions. He sat more or less like a poisonous toad, in his rooms at the Briggs House. He seemed a fitting companion to Young and Driscoll."

*In 1918 a strike occurred among the bitterly exploited girls of the "Rit" soap works in Chicago. J. W. Johnstone and the writer, as officials of the Stockyards Labor Council, took charge of the strike. A few days later a big automobile, loaded with ostentatiously armed huskies, drew up to our union headquarters. Two of them announced themselves as stock-holders in the "Rit" company and also, to our surprise, as Business Agents of the Chicago Teamsters. They demanded brusquely how much we wanted for calling off the strike. They were astonished when we refused their money and insisted that the only way to end the strike was to grant the workers' demands.

***The Spirit of Labour*, p. 346.

One of the "toughest" Chicago unions is the Motion Picture Operators' Union. The boss of this strongly organized and strategically situated organization is "Tommy" Malloy, a pupil of "Mossie" Enright's. The officials of this union have grafted huge sums of money, variously estimated up to several hundred thousands of dollars, from theatre owners, not to mention what they have taken from their own rank and file. They have used many schemes, including "strike insurance," "initiation fees" for opening new theatres, "fines" for infractions, real or imaginary, of union rules, etc. A prolific source of graft was the Peerless Advertising Co., organized by the union officials. The latter gave this company the sole right to use the union label on advertising slides, and then refused to permit union operators to run the slides of other, non-union companies. Thus, with a practical monopoly, the union officials were able to charge exorbitant rates for their advertising slides and to reap large sums of money. The leaders of this union won the right to control the motion picture operators in open armed struggle against the Electrical Workers' officials. Automobile loads of gunmen from each union met on the streets in the heart of the city, and fired into each other. When the smoke of battle cleared away Malloy and his friends remained the victors. That settled the jurisdictional question.

One of the many graft-infected organizations that might be cited is the Chicago Flat Janitors' Union. Its head, until his death in Feb., 1927, was Wm. F. Quesse, also president of the Building Service Employees' International Union. Quesse, a very capable organizer, beginning in 1912, built a union of the flat janitors, and undeniably improved their hours, wages, and working conditions. But he and his aids feathered their personal nests meanwhile. They had their own system, consisting of "fining" the landlords for making their janitors do unauthorized work, for employing non-union building trades workers to do repair work, and for various

other violations of the union's rules. The many fines ranged from \$20 to \$2,000 each, very little of which reached the union treasury. In 1922 Quesse and nine of his fellow officials were convicted of conspiracy to extort money and they were sentenced to prison terms of from one to five years each. Their trials cost the union \$250,000. But their Republican friend, Governor Small, to whose support Quesse was committee, came to their rescue in the nick of time. He pardoned the lot before they did a day in the penitentiary. Quesse left an estate of \$200,000 when he died.

Unions in this general group are the two locals of the Street Carmen's Union, with 25,000 members. Division No. 241, dominated by gunmen who play the company's game at all times, is but little better as an organization than the Mitten Plan in Philadelphia or the Interborough company union in New York. All opposition is slugged under. In 1921, J. E. Rooney, opposition leader, was murderously attacked and sent to the hospital for 16 months. In 1927, Frank Carlson, another opposition leader, was beaten and shot. Men who dare to speak at meetings against the union officials are removed from their jobs the next day. The men know nothing about the finances of their union, especially not about the million dollar carmen's auditorium, for which they have been paying for 10 years. The officers are all rich. Quinlan, Pres., receives \$7,200 salary; Tabor, Sec'y-Treas., \$7,200; and Kehoe, Rec.-Sec'y, \$6,000. Bowler, custodian of the auditorium, receives \$10,000, in addition to his salary as city councilman.

The officials of the building trades organizations and the reactionary bureaucrats of the other unions allied to them have formed the basis of the Gompers machine in Chicago for a third of a century. Saturated with corruption and bound by a thousand cords to the employers and the capitalist politicians, they effectively block progress in the local labor

movement. They oppose every advance, every improvement in the unions, ideological and organizational. To them proposals to amalgamate the unions and to form a labor party are sheer Bolshevism. Their baneful influence is spreading. For 18 years after the defeat of "Skinny" Madden in the Chicago Federation of Labor that body proper was in the hands of the more honest elements, led by John Fitzpatrick. But since Fitzpatrick's collapse and retreat to the right after the Farmer-Labor Party convention of 1923 the ultra-reactionaries, led by Oscar Nelson, have been making greater and greater inroads on the Federation until now it is almost entirely within their control.

2. NEW YORK

The foregoing paragraphs on corrupt practice in the Chicago building trades fairly indicate the situation prevailing in all the larger industrial centers. Possibly conditions are somewhat worse in Chicago than elsewhere, but not much. The Chicago building trades business agents may be a little quicker on the trigger or, because of the greater strength of their unions, somewhat more ruthless in their grafting. But their confreres in the building trades in other cities also let no grass grow under their feet. This is seen from a few examples taken from the New York building trades.

(a) *Sam Parks*

Sam Parks was boss of the New York building trades for several years prior to 1903 when his labor career came to a stop. He was the "Skinny" Madden of New York. Walking delegate of the Housesmiths' and Bridgemen's Union, he was also dictator of the Board of Building Trades, a central body composed of the representatives of 39 building unions. He was a tough bruiser, who boasted of having had

as many as 20 fights in one day. R. S. Baker thus describes him.*

"A striking and impressive figure. A County Down Irishman, 40 years old, all his life long he had done the roughest, hardest work, river driver and lumberman in the North Woods, coal heaver on the lake docks, roustabout-sailor, railroad brakeman, bridge builder; time was when, unerringly balanced on a steel beam, 200 feet in blue space, he could drive more rivets to the hour than any man in the trade. A rough, tough nut of a man who loves to fight, he says, better than to eat. Ignorant, a bully, a swaggerer, a criminal in his instincts, inarticulate except in abuse and blasphemy, with no argument but his proficient and rocky fists, he yet possesses those curious faculties of leadership, that strange force of personality, that certain loyalty to his immediate henchmen familiar among ward politicians—so that he could hold his union with a hand of iron. No, it is not strange. Tweed ruled and robbed New York for years; only yesterday Croker was our king; Quay bosses Pennsylvania. They are all of a stripe, all bosses; Parks a little rougher and ruder, perhaps, but the same sort."

Parks was brought to New York in the nineties from Chicago as a non-union worker by the big G. A. Fuller Construction Co. Undoubtedly he remained an agent of this company and was used by them against their competitors while he was the head of his union. It was an era of corruption in the building trades, and Parks was in the thick of it. For example: in 1902 the Amalgamated Association, controlling the New York Painters, demanded an increase in wages. Whereupon the employers gave a fund of \$17,000 to various labor fakers to bring the rival union, the Brotherhood of Painters and Decorators, into New York. This body signed a scale of \$3.25 to \$3.50 per day, as against \$4.00 and \$4.50 demanded by the A. A. Another example is that of Murphy of the Stone Cutters, who stole \$27,000 from his union, for which he was sent to Sing Sing.

Parks plunged deeply into corruption, using the familiar methods of "strike insurance," "fines," "pilfering the union,"

* *McClure's Magazine*, Nov., 1903.

etc. But the jobs of his employer, the Fuller Co., went ahead undisturbed. He was exposed as a grafter as a prelude to the great building lockout of 1903. As usual, the employers bribed him to do their work during "peace" in the industry and then exposed him in order to discredit and demoralize the unions when "war" loomed. Parks was sent to Sing Sing for blackmail in 1903, but his powerful political connections had him released in a few days. Crowds greeted him at the Grand Central Station upon his return. *The Nation* of September 10, 1903, says: "The enthusiasm could hardly have been greater if he had returned from a successful engagement with a foreign enemy, instead of coming for a temporary respite from the penitentiary." Six days after his release Parks led a great Labor Day parade in New York. Finally, however, he was returned to Sing Sing, where, after being expelled by his union, he died.

De Leon, in an editorial in 1903, thus characterized the activities of Parks and his cronies:

"Murphy and Parks played fast and loose with the welfare of their rank and file. According as the prurient maggot of corrupt desire bit these gentlemen, their rank and file were thrown out of work or ordered back. Strikes thus ordered, or "settled," or threatened were the trade of these gentlemen and the rank and file figures but as cattle that were led to and from the shambles to be skinned by their employers, or to be slaughtered by the fakers. Of course, in the process the capitalist was blackmailed, but the blackmailing was but an incident. . . . It may be said literally that the money blackmailed from the employers is the gathered drops of blood that the rank and file have been made to shed in bogus strikes."

(b) *The 1916 Carpenters' Strike*

In the 20 years between the picturesque Parks and the notorious Brindell, the New York building trades were constantly afflicted with graft of all sorts. Colorless and unscrupulous fakers galore sold out innumerable strikes and grafted indiscriminately upon the workers and the employ-

ers. Let the betrayal of the carpenters' strike of 1916 serve to illustrate some of the methods that have kept the New York building workers from constructing an organization capable of controlling their local industry.

After going nine years without a wage increase the 17,000 New York carpenters, on November 17, 1915, voted four to one to fight for a 50 cents per day raise in wages. The movement was specifically authorized by the national office of the United Brotherhood of Carpenters and Joiners. The local officials signed contracts covering 14,000 men at the new rates, and made all preparations to strike the remaining 3,000 workers on May 1st, 1916. All was legal and regular. Then, like a bolt from the blue, Pres. Wm. L. Hutcheson demanded that the strike be held off. This was manifestly impossible, it being already too late, so the 3,000 men went out. Conditions were good and victory was certain. Hutcheson thereupon went to New York and after a couple of secret conferences with the employers, together with Brindell and Halkett, illegally signed an agreement that the men continue at the old rates, with the increases to go into effect several months later. Then, calling a meeting of 800 workers, which lasted exactly 40 minutes, Hutcheson told them what he had done and rushed to catch a train West.

Then the storm of resentment burst. To accept Hutcheson's agreement meant a cut of 50 cents per day in the wages of the 14,000 who were at work. Hence they revolted. On a referendum they rejected Hutcheson's proposition 12,000 to 104. The New York State Council of Carpenters condemned Hutcheson's unwarranted and tyrannical interference "as a betrayal of the interests of the carpenters of New York and a violation of the principles of the labor movement." Only the Dock Builders, Brindell's local, accepted the agreement.

Hutcheson immediately expelled the 65 New York carpenters' locals with their 17,000 members, and opened an

office, with the employers, to recruit scabs to break the strike. But in spite of him the strike was won, and he eventually had to reinstate the outlawed locals. Afterwards employers claimed that this "agreement" had cost them \$85,000 in bribes.

This treachery was a fair introduction to the policy of Hutcheson, freshly arrived at the Presidency of the United Brotherhood. His later conduct was on a par with his start. One of his many treasons was the signing of the Chicago agreement in 1924. At that time Hutcheson, together with Jensen, President of the Chicago Carpenters' District Council, met with the five leading contractors. The newspapers next day announced that the carpenters had won a "closed shop." This news elected Jensen the day following in the Union election. It was not until weeks afterwards that the rank and file got to see the agreement. Then to their amazement they learned that it was practically identical with the infamous Landis Award, to defeat which two years before the carpenters had led one of the bitterest strikes in the history of Chicago. Hutcheson did this in the midst of a great building boom, when the workers easily could have insisted on a real agreement. Hutcheson is one of the very blackest reactionaries in the labor movement.

(c) *Robert P. Brindell*

Brindell was the most energetic and outstanding labor grafter in New York since the days of Sam Parks. He was exposed in 1920, just at the beginning of the great national drive against the trade unions in all industries. The exposure was made by the Lockwood Committee, created by the N. Y. State Legislature to investigate the high cost of building in New York. Samuel Untermeyer was Chairman of the Committee.

Brindell was president of the Building Trades Council and of the Dock Builders' Union, affiliated to the Carpen-

ters. A dozen years before he had been a soda clerk in Providence. He became the right-hand man of Gompers and Hutcheson in New York. Peter Brady, James P. Holland, and Hugh Frayne were his close pals. He was deep in Tammany Hall politics, and held various political jobs. He was a rabid 100 per cent patriot, at one time proposing to the "American" unions that they should quit the United Hebrew Trades because it harbored "disloyal" unions.

Brindell conducted his graft operations on a grand scale. Beside him Sam Parks appeared a "piker." Where the latter would get \$250, Brindell took \$5,000. He was bold and domineering, but his methods lacked the extreme violence characteristic of Chicago "burglars." His Council, 115,000 strong, had a "closed shop" agreement with the Building Trades Employers' Association, each agreeing to work for or to employ only members of the other's organization. This arrangement, which gave the contractors almost a monopoly, laid the basis also for Brindell's operations. It was a typical building trades "closed corporation" agreement between the union leaders and the employers to divide the spoils of the industry. The "cost-plus" jobs of the period provided rich pickings.

Every known form of graft and extortion was used by Brindell. He sold "strike insurance," etc., etc. He worked with the building material men to force the contractors to pay their bills, striking jobs when they refused. He once offered that the Building Trades Council would support Hylan for Mayor if the job of building the new court house were given to a certain contractor. In one case a builder had to reject a bid of \$37,500 for a job and accept another for \$85,783 from a contractor "approved" by Brindell.

It is estimated that Brindell took \$1,000,000 in graft during the two years before he was exposed. Among the larger items were: Todd, Iron and Robertson, \$32,000; A. Hersh-

kovitz, \$25,000; G. A. Northern Wrecking Co., \$17,120. The highest demand he made was for \$60,000 from the Gotham National Bank Building. He compromised for \$25,000. How he worked is shown by the following testimony to the Lockwood Committee by Hugh F. Robertson, a builder, constructing the Cunard Building and Cunard docks:

"I think it was Brindell that used the term 'strike insurance.' This was insurance against any labor trouble on the job. He said that if we could get strike insurance it would be a good thing to have. I wanted to know what kind of an arrangement we could make. He quoted the sum. He said he wanted \$50,000 for 'strike insurance.' He wanted \$20,000 immediately and the rest of the payment to come along on request to be strung along."

After an appointment with Brindell, says Robertson:

"He took me back to the office in an automobile and I put \$20,000 on the seat of the auto. I charged that \$20,000 to sundry expenses."

On later visits with Brindell, during luncheons at the Hotel Commodore and on automobile rides, \$12,000 more was paid in four payments by Robertson.

To further his grafting schemes, Brindell had a strong organization which he used ruthlessly against the employers and his enemies in the labor movement. He almost completely suppressed democracy in the unions. The Building Trades Council, of which he elected himself President for life, was a mere clique of grafters, taking orders from him. Only three unions, themselves equally corrupt, ventured to oppose his autocratic rule, the bricklayers, painters, and house wreckers. Where necessary he did not hesitate to expel A. F. of L. locals and to organize dual bodies against them. Nevertheless the A. F. of L. constantly supported him, as it does countless other grafters and fakers. Brindell, although sharing the plunder with his associates, was greedy and selfish. This contributed much to his downfall. Once, for example, a Business Agent reported that he had been offered \$12,000

to wink at non-union men employed on the job. Brindell took the matter out of his hands, got \$32,000, and put it all in his own pocket.

Brindell bled his unions. His salary as President of the Dock Builders ran to \$35,000 per year. He was known as the highest priced labor leader in the world. Of the 50 cents paid monthly by each of the 115,000 members of the Building Trades Council, a large portion went into the pockets of the grafters. Thousands of workers paid to union officials as much as \$10.00 per week for working permits, little of which money ever reached the union treasuries. Brindell once proposed to his enemy, Zaranko of the House Wreckers, that the latter's 1,800 men could join the Building Trades Council on the basis of \$50.00 initiation fees and \$10.00 weekly from each of them so long as they remained in the trade. Small wonder that Brindell became rich. He had a big estate in the Adirondacks, the millionaires' playground, where he spent his summers. He had investments in many companies.

Together with P. Stadtmuller and J. Moran, both Business Agents, Brindell, after being held on \$100,000 bail, was convicted of extortion and sentenced to from 5 to 10 years in the penitentiary. The specific charge was that he had accepted a bribe of \$5,000 from Max Aronson to settle a strike. Although everybody knew he was guilty of robbing the workers, Brindell was given the full support of the reactionary union officialdom. Only after his conviction did Gompers wail: "I knew Brindell when I believed he was thoroughly honest and I regretted very much that he has gone wrong."

In Sing Sing Brindell, because of his wealth and political influence, was granted extraordinary privileges. He had special food and clothes, and whiled away the time with a radio. Business Agents came to see him and he ran the building trades unions from inside the prison. Once he was

found outside the walls with his family. This caused a scandal, and, with much publicity, he was transferred to Dannemorra, where the discipline is severe. But later, without publicity, he was shifted to Great Meadows, where the regime is milder even than in Sing Sing. He was finally paroled, having served three years and nine months.

After his release Brindell tried to "come back" in the labor movement. But he was too badly discredited. His election ticket in his union, the Dock Builders, was defeated 1,500 to 7. Finally he was expelled from the union. He died in the latter half of 1926.

Brindell is gone, but Brindellism goes on in the New York building trades. Tompkins, Halkett, Crowley, and dozens of others carry on the old corruption. It proceeds with less clamor and more finesse than in the days of the master grafter, Brindell, but it goes on destructively, undermining all that is healthy and progressive in the labor movement.

3. PHILADELPHIA

Such men as "Skinny" Madden, Sam Parks, Simon O'Donnell, and Brindell were highly destructive factors in the labor movement. They poisoned union progress at its source. But upon occasion they had a certain regard for the demands of the workers and sometimes made fights to protect them. This they did in the realization that if they were to be able to advance their own personal interests a basic consideration was that they maintain a strong trade union organization. Consequently, often their unions of skilled or strategically situated workers, were very powerful, usually at the expense of the other trades and the unorganized. But in many places the building trades grafters, in their greed and general spirit of reaction, killed the goose that laid the golden eggs by literally "selling" the unions to the point of their extinction. Philadelphia is such a place.

(a) Frank Feeney

One of the chief figures in the unsavory history of the Philadelphia trade unions during the past quarter of a century is Frank Feeney. For ten years he was President of the Building Trades Council, and for seven years President of the Central Labor Union. He is now President of the International Union of Elevator Constructors. For two decades he has been a key man in the right wing national machine of the A. F. of L. Within recent months he became a member of the Executive Council of the National Civic Federation.

Feeney is one of the group of trade union leaders whose darksome influence has contributed towards making Philadelphia one of the weakest trade union centers in the country. They have "peddled" the movement in every conceivable way. Feeney is cynical about his grafting. At the 1914 convention of the Pennsylvania Federation of Labor, when Feeney was being tried for disloyalty to the workers, Jim Maurer quoted him as saying:

"Sure I'm a grafter. Whenever you hear that Frank Feeney goes after something you make up your mind he is getting his price. I'm for Frank Feeney."

This misleader of labor maintains his hold on the trade union movement by virtue of his firm seat in the saddle at the head of the Elevator Constructors. He follows a policy of furthering the interests of this little group of skilled workers at the expense of the other related unions, especially the Machinists. This is a common trick of the labor faker.

Feeney has had his hand in every form of betrayal, from running crooked papers to selling out strikes. He was on the payroll of Martin Mulhall, the arch betrayer, who relates the following to show how Feeney earned his pay:

"There was an agitation on to amalgamate the printing trades and that would have been fatal to the employers; that we didn't want; we didn't care how loyal Frank Feeney would be to the typographical

union so long as he prevented the amalgamation, and that is what we put him in to prevent, and it was prevented."

A specialty of Feeney's is capitalist politics. He has long been a labor agent of the Republican Party, a lieutenant of the reactionaries Quay, Penrose, McNichol, *et al* in the ranks of the workers. For this, he and his friends have been rewarded from time to time with well-paid political jobs. Of McNichol, an avowed enemy of labor legislation and a supporter of the State Constabulary, Feeney said: "So far as my friend Jim McNichol is concerned, let me say to you that I am proud to call him my friend."

In 1905, largely through Feeney's efforts, the Philadelphia unions put up an Independent Labor Ticket. Feeney was the candidate for Sheriff. Labor, enthusiastic, rallied to the workers' ticket. The Labor Day parade of that year, consisted chiefly of floats extolling the labor ticket. But at the eleventh hour Feeney withdrew his name in favor of the Republican candidate and induced the new party to endorse the whole Republican ticket. This betrayal made Feeney a big cog in the local Republican machine.

Feeney has sabotaged various important pieces of labor legislation in Harrisburg. Secretary Quinn of the State Federation of Labor accused him of being responsible for the defeat of the Workmen's Compensation Bill and of facilitating the passage of the State Constabulary law. In the past quarter of the century every attempt of the workers in Pennsylvania to move forward, on either the economic or political field, has had to confront the opposition of Feeney. That is one reason why their trade unions are in such a demoralized condition and also why Feeney is wealthy, owning a palatial yacht, a large estate, and a summer home in Atlantic City.

(b) *James C. Cronin*

Jim Cronin, Business Agent of the Molders Union, who at the age of 24 got elected as President of the Philadelphia

Central Labor Union, was a pal of Feeney's and the other building trades crooks, and participated in their union wrecking enterprises. Cronin was a darling of the Republican politicians and upon Feeney's recommendation was appointed to the State Industrial Commission, of which he became Chairman.

But Cronin came to grief. By a strange chain of circumstances he was exposed several years ago as a detective, employed by the Bureau of Industrial Relations at a salary of \$200 weekly. Known as "Operative 03," he spied upon and reported the activities of Philadelphia unions generally. He was tried and expelled from his union for "gross disloyalty." Later, as a member of the firm of Hayward and Cronin, he circularized the employers of Philadelphia, openly soliciting them for detective and strike-breaking work.

Cronin is merely an example of the crass materialism and cynicism of the corrupt labor leadership carried to its logical conclusion. He was exposed by accident. How many more are there like him among the reactionary officialdom? His case illustrates how easy it is for a labor official to sink to the level even of a detective once he starts taking money from the employers and capitalist politicians to betray the workers. Cronin was little, if any worse than his bosom friend Feeney. Cronin and Feeney, not to mention dozens of others, are strong reasons why the Philadelphia labor movement is weak and demoralized.

4. CLEVELAND AND SAN FRANCISCO

Examples could be multiplied from various cities of corruptionists in the building trades and in the bureaucratic cliques closely allied to them. Thus in Cleveland in 1917, during the joint trial of Charles B. Smith, President of the Building Trades Council, and John G. Owens, Secretary

of the Cleveland Federation of Labor, there was exposed the familiar system of grafting and betrayal of the workers and of labor officials growing rich at the game. Neither of the accused denied receiving money, but both argued that it came voluntarily and was permissible. One Business Agent, Wm. A. Findlay of the Hoisting Engineers and former international officer of the Steam and Operating Engineers, testified during the trial that it is proper for a labor official to take money from employers if he gets it legitimately and not by sacrificing his principles. Smith was found guilty and Owens acquitted. This was a compromise verdict, the jury being unable to agree upon either conviction or acquittal for both. Smith did not take the stand in his own defense. A resolution of the Building Trades Council hypocritically defended such action on the part of this labor "martyr" as follows:

"Resolved that it is the sense of this meeting that it is not necessary for him to take the stand to retain himself in our confidence or that of union labor."

San Francisco, for a generation, was the most strongly organized trade union center in America. The building trades were the heart of the movement. The boss of the whole situation was P. H. McCarthy, Gompers' wheelhorse on the Pacific coast. McCarthy played the game on all fronts. The usual system of graft prevailed locally. McCarthy was deep in corrupt politics, locally and nationally. With the assistance of the union-baiting United Railways Co., he was elected Mayor of San Francisco. In the national elections of 1920, McCarthy, together with such labor "skates" as Farrington and Tetlow, issued a public letter endorsing the reactionary Republican, Gov. Frank O. Lowden, for President. Signing the letter also were dozens of manufacturers, bankers, lawyers, mine owners, grain dealers, politicians, etc., headed by the multimillionaire "open shopper," D. R. Forgan.

McCarthy's clique were corrupt and reactionary. They

fought against everything progressive in the unions. They were primarily responsible for putting Tom Mooney and Warren K. Billings in jail and keeping them there. In this historic case their decisive influence has always been on the side of the employers. But with all their reaction they at least had sense enough to maintain strong unions, which the especially favorable local situation as well as their monopolistic combinations with the employers made easy.

In 1920, as part of the general post-war drive against labor, the San Francisco employers declared war on the building trades. They felt strong enough to dominate the local industry monopolistically without the cooperation of the trade union leaders. They wanted to be rid of the hampering labor organizations. Their slogan was the American plan "open shop." The fight climaxed in 1921 in a deep wage cut, a general lockout of the building trades, and an attempted general strike of all San Francisco workers. The building trades unions were overwhelmingly defeated and almost crushed.

About 18 months after the strike a legislative committee investigating the corruption used to defeat the Water Power Act in the interests of the great corporations uncovered a \$10,000 bribe given to McCarthy by the notorious Pacific Gas and Electric Co. This finished McCarthy. He was forced to resign his position in the Building Trades Council. The employers had used him as long as he was of value to them and then cast him aside.

5. THE A. F. OF L. AND GRAFT

Towards all this corruption and graft the general policy in the trade unions has been to pass it over in silence. The false argument is made that if it is exposed it will injure the labor movement. This idea is carefully propagated by the reactionary officialdom, and large numbers of the rank

and file are deceived by it. As for the grafters themselves, they interpret this policy of silence as giving them a free hand to carry on their destructive activities.

Rarely has the labor bureaucracy itself taken the initiative in exposing the corrupt leaders. Usually this is done by the employers and after they have been so exposed by the employers the unions sometimes expel them. Otherwise the whole practice of grafting on the workers and employers is tolerated and condoned. The disease of corruption goes on untreated. A search of the *History, Encyclopedia, and Reference Book of A. F. of L.*, brings forth on page 161 the following lone action taken on the question of bribery by the A. F. of L.:

“Bribe-taking—(1903. p. 202) An isolated case of bribe-taking does not warrant the conclusion that dishonesty on the part of the officers of organized labor prevails. On the contrary, we are convinced that the representatives of organized labor are by far the most reliable, honest, and trustworthy of any walk of life.”

The reason for this failure to attack the grafters is plain. The right wing machine in the A. F. of L. bases itself, and has for a generation, upon the most corrupt and reactionary elements in the labor movement. One third of the entire membership of the A. F. of L. belongs to the building trades unions, where corruption is at its worst. Their delegations at A. F. of L. conventions are solidly reactionary. Their leaders, in combination with the bourbon heads of the printing trades and the miners unions, form the body of the reactionary A. F. of L. bureaucracy.

Gompers always protected the grafters. He himself apparently did not take money from the employers, nor did he accept their many offers of political positions. He got his reward for his treason to the workers by being maintained as President of the A. F. of L., where he basked in friendly publicity and lived as a wealthy man. All the worst labor fakers gave him their active support. For years it was axio-

matic that the more of a labor faker the more of a Gompers-ite. "Skinny" Madden, Sam Parks, Simon O'Donnell, Frank Feeney, Robert Brindell, Matthew Woll, George L. Berry, *et al*, were Gompers' bosom friends and co-workers. On their like his rule was based.

Whenever and wherever building trades fakers were exposed Gompers never failed to defend them to the last. Likewise in other industries. In the 1920 convention of the A. F. of L. Mahon, head of the Street Carmen's Union, was accused correctly by the Detroit Federation of Labor of running an "open shop" sheet metal works in Detroit. But the charges were smothered and Mahon was whitewashed. Characteristically, Gompers, in his book, *Seventy Years of Life and Labor* (Vol. 1, p. 340) thus defends the traitorous conduct of the steel workers' leaders Jarrett, Bishop, Weihe, Nutt, and others, in going over to the employers, saying:

"It was not that they were corrupted, but they were weaned away; the organization paid them very meager salaries, less indeed than that of a first class man in the industry."

Is graft diminishing in the building trades? This is a difficult question. Some factors appear to make against it in its old forms. The employers, becoming constantly more trustified, have less and less need of the trade union leaders' cooperation for the maintenance of hard and fast local monopolies of labor and material which exclude outside competition. And it is upon such illegitimate cooperation that the typical building trades graft system is largely based. Moreover, the growing strength of the employers, and the breaking down of the skilled trades through specialization tend to weaken the position of the building trades unions and to make it somewhat more difficult for the venal officials to carry on their traditional policy of wholesale plunder.

But, whether increasing or decreasing, the building trades graft is practiced on a wide scale and it poisons and demoralizes the whole labor movement.

CHAPTER VI

PLUNDERING THE WORKERS

In preceding chapters it has been shown how the all-too-plentiful labor fakers accept Judas favors from the capitalists and their political henchmen in return for betraying the interests of the workers. But these misleaders of labor, who see in the labor movement merely a rich field to be exploited for their personal advantage, do not content themselves even with such extensive forms of bribery and corruption. A very large part of their program is the direct plundering of the workers and their organizations. This plundering assumes innumerable forms, only the more important of which are herewith touched upon:

1. EXORBITANT SALARIES AND EXPENSES

A universal method of robbing the workers is through extravagantly high salaries and expenses for union officials. These run from two to twenty times the common wage of the rank and file of the organizations concerned. The bureaucrats, by virtue of their iron-clad control of the unions, continue to screw up their salaries and expense accounts until they develop the incomes of capitalists. The practice is prevalent in all the unions, and its effect is a widespread demoralization. In many cases since our investigation was made, the salaries here quoted have been increased.

(a) Railroad Union Nabobs

The railroad unions, especially the four Brotherhoods, are the most lavish in the over-payment of their officialdom. The

late Warren S. Stone of the B. of L. E. was the star in this respect. He received \$25,000 salary, and about as much more for expenses, as head of his union, in addition to \$25,000 yearly as Chairman of the Board of Directors of the General American Radio Corporation, and perhaps various other salaries for his numerous jobs. At the 1924 convention of the B. of L. E. Stone is said to have declared that he was indifferent as to whether or not the union kept him even at this price. He displayed a contract from a New York bank guaranteeing him, should he accept, a salary of \$50,000 per year for 10 years. Stone had two "assistants" at \$15,000 per year and expenses. There were also nine other "assistants" at \$9,500 and expenses per year.*

W. G. Lee, head of the B. of R. T., gets the same salary as a Justice of the United States Supreme Court, \$14,000 per year, not to speak of lavish expense accounts and salaries coming from his various industrial interests. The B. of R. T. Secretary's salary is \$10,000. Other officials of this reactionary union are paid accordingly. Similar conditions prevail in the O. R. C., the President receiving \$12,000. In *The Labor Herald*, Oct., 1924, C. R. Hedlund writes as follows of the upper bureaucracy in the B. of L. F. and E.:

"The locomotive fireman, who earns his living about as laboriously as any human being on earth, who fires some of the largest engines in freight services for the entirely inadequate sum of \$5.43 per day, nevertheless pays his Grand Lodge officials the following salaries: To the President \$12,000 per year; to nine different Vice-Presidents \$7,000 per year each; to the Secretary, \$10,000 per year, to one so-called 'legislative representative' stationed at Washington, D. C., \$7,000 per year; to the Editor of the union magazine, \$7,000 per year; to the Medical Examiner, who looks over applications for insurance, \$9,000 per year. This makes a total of \$118,000 for 15 officials!"

To the foregoing salaries must be added the usual huge

*In connection with the big bank scandal at the 1927, B. of L. E. convention the salary of the head of the union was set at \$15,000.

expense accounts, which often run more than the salaries. The constant tendency is to raise official salaries. This was the case even when the wages of the railroad workers were being slashed on all sides. The unions of the lesser skilled and less strategically situated workers exhibit the same tendencies to over-pay their officials. Thus the head of the Maintenance of Way Workers receives \$500 more per year than a United States Senator. Fitzgerald of the Railway Clerks gets \$10,000. Ryan of the Railway Carmen gets \$8,000, etc. As against these fabulous salaries, the average yearly wage of railroad workers in 1926, figured on a full time basis and discounting unemployment, was only \$1656.

(b) Over-paid Miners' Officials

In the United Mine Workers the parasitic system of extravagantly paid union officials is firmly established. Never did this manifest itself more shamefully than at the 1927 convention. With the union miners suffering widespread unemployment, which had reduced their annual incomes to not more than \$1200, and with the union confronting a life and death struggle with the employers, Lewis and his crew made the raising of the officials' salaries one of the central issues of the convention. Instead of organizing the unorganized miners in West Virginia, Lewis' organizers there spent their time getting resolutions passed asking that official salaries be increased. With great enthusiasm on the part of the machine-made delegation Lewis' salary was raised from \$8,000 to \$12,000 per year. Chris. Golden, of the anthracite leaders, declared that it would be an insult to ask Mr. Lewis to work for such low wages, especially as he had just been offered the Presidency of the John Mitchell Life Insurance Co. at \$15,000 per year. Vice-President Murray said, "You can consider me a miner with a grievance. I am fighting for just wages." He was receiving only \$7,000 per year, and about the same in expenses. His salary was raised

to \$9,000. Thus act the miners' "leaders" in the face of the greatest crisis the union has ever known.

A few items from the practices of Frank Farrington, until recently President of District 12, will illustrate the widespread corruption in the Miners Union in the matter of salaries and expenses. Farrington received \$5,000 salary yearly. He was allowed an average of about \$15 per day for expenses. This was supposed to be paid him only while he was on the road. But he got around this little technicality by maintaining his official residence in Indianapolis and charging road expenses for all the days he spent at the union headquarters in Springfield. In this way he managed to squeeze about \$11,000 out of the union yearly as salary and expenses. How much he also got from the operators and from his many financial ventures remains a mystery, except the famous \$25,000 fee of the Peabody Coal Co. Even the petty grafts of putting all his relatives on the union payroll, of stealing on telegraph bills, etc., were not overlooked by Farrington. Small wonder that he, in company with various coal operators, owns a great pecan and orange orchard in Alabama, that he owns beautiful homes in Indianapolis and Springfield, and that he makes trips to Florida and California, like other rich men, whenever the spirit moves him. Such leaders are the curse of American labor.

(c) Building Trades Fakers

When it comes to gathering in the money from salaries and expenses the building trades leaders, who are so expert in milking both workers and employers, stand in the very forefront. Take for example, President Hynes of the Sheet Metal Workers Union. In three years he was paid a salary of \$17,875 and expenses of \$24,974. His yearly bill to the union is larger than the salary of any official in the Federal Government with the exception of Pres. Coolidge. It is more than that of any of the Governors of the 48 states, and

it is almost twice as large as that of Admirals in the Navy and Generals in the Army. Misleaders of labor come high in the United States. Typical salaries of the heads of building trades unions, exclusive of the usual enormous expense accounts, are: Bricklayers, Pres., \$10,000, Sec'y, \$10,000; Painters, \$6,000; Elevator Constructors, \$6,000; Hod Carriers, \$7,500; Structural Iron Workers, Pres., \$7,500; Sec'y, \$6,000; Carpenters, \$10,000; Electrical Workers, \$7,000.

Local Business Agents receive from \$100 to \$200 per week, or a minimum of about double the going wage in the trade. This is aside from the big sums they wring from the employers and otherwise skin the workers out of. Small wonder that so many of them quickly become rich. There are hundreds of such over-paid officials. They spread their conservative influence far and wide and are a wet blanket on every progressive movement.

(d) In the Printing Trades

The heads of the printing trades unions take whatever they can from their organizations in the way of salaries and expenses. George L. Berry is the shining example of corruption in this respect. At last accounts his salary was \$7,500 yearly. His hotel expenses run to about \$65 per week and are usually drawn whether he is on the road or not. Below are a few items, taken from his union's financial report of March 1 to May 31st, 1924, dealing with a little trip of Berry's to adjacent southern cities. They illustrate why expense account reports of trade union leaders are commonly called "swindle sheets."

March 18th. George L. Berry, railroad fare, berth, meals, en route to Nashville for conference on road to Pressmen's Home with Governor, Highway Commissioner and Engineers and expenses associated therewith, also meeting on organization matters dealing with Knoxville, Nashville and Chattanooga \$193.

March 18th. George L. Berry, railroad fare, berth meals en route to New Orleans, meeting of local unions in connection with organi-

zation, cost of luncheon given to employers, union and non-union, and conference with newspaper publishers on Web Press matters, \$328.36.

March 18th. George L. Berry, railroad fare, berth, meals en route on organization work and mass meeting, and meeting of the Board of Governors of the Allied Printing Trades Assoc., also conferences and mass meeting at Jacksonville, Tampa, St. Augustine, West Palm Beach and Miami, also conferences on organization of newspaper pressrooms at Tampa, Jacksonville, and Miami, \$500.78.

Behind all these details of "conferences," "mass meetings," etc., is hidden a joy ride of Berry's to the winter home of millionaires, the Florida East Coast, at a cost of \$1,000 to the union.

James M. Lynch, formerly President of the Typographical Union, was a noted "per capita tax eater." He received \$8,000 salary and \$2,000 expenses. When he quit the presidency of the union he gave its treasury a last blow by having himself voted a gift of \$10,000 as a "testimonial" of the membership's esteem. Such "gifts" are common. Only a few years ago Mezzacapo, Business Agent of the New York Cloth Examiners Union, was removed from office because, although receiving a salary of \$10,000 per year, he insisted on the 300 members of his local union making him an occasional "gift" of a week's pay. Closely akin to such "gifts" are the extravagantly large pensions given super-annuated or sick officials. Thus President W. S. Carter of the B. of L. F. and E. was, upon his retirement, allotted \$12,000 per year, a sum equal to the combined yearly average wages of about seven railroad workers. When Briggs, a Teamsters' Union official, died recently the union heads granted his widow a pension of \$5,000 per year.

In the printing trades a much salaried man is Peter J. Brady of New York. Until recently he had a city political job which pays \$6,500. He is also head of the Federation Bank and of the Allied Printing Trades Council. From how many other sources he draws money is problematical. This practice of holding several paid jobs simultaneously is com-

mon among trade union leaders in all industries. Thus, to cite only one more example, Frank Feeney drew \$6,000 yearly as head of his union, \$6,000 for his political job in the Workmen's Compensation Bureau, and who knows how much more from elsewhere?

(e) *In the Needle Trades*

The "socialist" leaders of the needle trades unions are hardly slower than the ultra-reactionaries in other unions to feather their nests by means of excessive salaries and swollen expense accounts. The President of the Amalgamated Clothing Workers of America, Sidney Hillman, receives \$7,500 yearly, in addition to unlimited expense accounts, and the Secretary-Treasurer, Joseph Schlossberg, is paid the same. Both officials, after many years of such rich jobs, have long since passed into the ranks of the well-to-do. Sigman and Baroff, President and Secretary of the International Ladies Garment Workers Union, were recently cut to \$5,200 and \$4,500 yearly respectively. For several years Schlessinger, former President of the I. L. W. G. U., received, in addition to his regular salary, commissions amounting to as high as \$100 to \$150 weekly from the *Forward* for advertisements secured by him. Salaries for Business Agents and other officials in these unions runs from \$60 to \$100 per week. Yearly salaries of the officials average from two to five times the average wages of rank and file workers.

In the "socialist" Ladies Garment Workers Union, the gift graft, among others, is practiced. Its 1924 convention authorized the distribution of \$4,000 in tokens of appreciation as follows: "Pres. Sigman and Sec'y Baroff, \$350 each; Vice Pres. Feinberg, Breslaw, Heller, Dubinsky, Wander, Ninfo, \$250 each; Vice Pres. Schoolman, Perlstein, Monnoson, Lefkowitz, Seidman, Halpern, Reisberg, Cohn, \$175 each; Wolf and Danish, \$100 each; Yanovsky and Render, \$75 each; Finkelstein, \$50; Berny, \$25."

(f) Miscellaneous Instances

President Wm. Green of the A. F. of L. gets \$12,000; W. D. Mahon of the Street Car Men's Union, \$10,000; B. M. Jewell, President of the Railway Employees Dept., \$7,500; John Fitzpatrick and E. N. Nockels, President and Secretary of the Chicago Federation of Labor, each \$5,200; and John H. Walker and V. Olander, heads of the Illinois Federation of Labor, each \$6,500, etc., etc. The average yearly wage of adult male workers at full time is only \$1,500.

Daniel J. Tobin, President of the International Brotherhood of Teamsters, Chauffeurs, etc., receives a salary of \$10,000 yearly with an expense account to fit. He is just as reactionary as his salary is over-swollen. It would take the average yearly wages of about six of his rank and file members to equal his own salary.

Wm. Near, head of the Chicago Milk Wagon Drivers Union, draws \$10,000 a year and all expenses. The rest of his fellow officials are real aristocrats and receive proportionally high salaries.

James C. Petrillo is President of the Chicago Federation of Musicians. He was recently re-elected. Prior to the election his salary was \$200 per week; it has since been increased to \$250 per week, or \$13,000 per year.

Innumerable similar instances of exorbitant salaries are to be found in all localities and in all unions. When it comes to salaries the motto of the labor faker is the time-honored railroad slogan of "all the traffic will bear."

2. VARIEGATED THIEVERY

Undoubtedly a great many of the trade union officialdom, at least of the minor grades, are honest and devoted to the interest of the unions as they understand that interest. Nevertheless dishonest practices are disastrously widespread. The padding of expense accounts and the screwing up of salaries to scandalous heights are almost universal. The worst types

of officials, of whom there are all too many, also practice many other forms of mulcting the unions.

(a) Strike, Organization, and Legal Expenses

Strikes offer prolific opportunities for corrupt union officials to fatten their bank accounts at the expense of the workers and they often take advantage of them. Although strikers may be hungry there will only too often be found union officials degraded enough to steal from their meager strike funds. The miners have suffered much from this evil. The scandal in District 5 of the U. M. W. A. following the 1922 strike was only one of the many cases of such corruption that might be cited. The needle trades and other unions have also had their experiences in this respect. The recent Cloak-makers' strike in New York was an example. Although the general control of the strike was in the hands of the left wing, the right wing leaders were strong enough to intrench themselves in various committees carrying on vital strike activities. Result, extensive graft by them in spite of all efforts at proper control. Then, with fine irony, these same corrupt officials, aided by Matthew Woll and other ultra-reactionaries, raised cries of graft against the left wing leadership.

Under the head of "organizing expenses" the labor corruptionists cover up much of their dishonesty. Vast sums of money are swallowed up in fake organization campaigns. An example was the recent A. F. of L. campaign to organize the steel workers. This burned up some \$75,000 left over from the 1919 steel strike as an organizing fund. Only a few score of workers were actually organized. Another case in point is the U. M. W. A. "organizing campaign" in West Virginia for the past couple of years. This, under the leadership of the notorious Van Bittner, has squandered scores of thousands of dollars with no tangible results. What reactionary labor leaders understand under the head of "organizing expenses" was evidenced by the banquet given by Frank

Feeney in May, 1925, to the Philadelphia "open shop" employers at a cost of \$7,000.

"Legal expenses" also cover up much corruption. See the fabulous bills of Frank Farrington during the Herrin trials, running into hundreds of thousands of dollars and for which no real accounting was ever made. Or the huge expenditures during trials of labor leaders arrested for grafting from employers. During strikes and such labor trials the unions are fair game for all kinds of exploiters, often with connivance of the union officials. Mr. Morris Hillquit, leader of the Socialist Party, is a sample of the type of "labor lawyers" that prey upon the unions. Mr. Hillquit finds it no contradiction to his "revolutionary" principles to be at once the attorney for the employers (a dress manufacturers' association) and also for the unions that are fighting them. For presenting the workers' case at the recent hearings before the Governor's Commission, which lasted only a few days, he charged the International Ladies Garment Workers Union \$25,000. He charges the unions \$25 for a telephone conversation; \$150 for a conference with a committee, and similar enormous prices for petty services. It is no wonder that Mr. Hillquit, who lives in one of the most aristocratic sections of New York, is reputed to be a millionaire.

(b) Working Permits, Initiation Fees and Death Benefits

A common reactionary practice in the building trades unions is to restrict the membership of the organizations to about that minimum of workers who can find steady work at the trade during the slack season. These are the so-called "job trust" unions. When the rush season takes place, instead of organizing the numbers of workers necessary to fill the jobs at hand, "working permits" are issued to them. For these permits the workers are charged \$2.00 to \$10.00 weekly. In summer hundreds of such "permit men" are to be found in the big cities. The money collected from them is

supposed to go into the union treasuries, but in many cases it finds its way into the pockets of avaricious Business Agents. A not unusual case was that of J. Lawler, Treasurer of Electrical Workers 3 of New York, who, among various other shady financial transactions, was unable, when haled before the Lockwood Committee, to account for an item of \$26,000 of permit money. In this case the public accountants, selecting 200 permits out of thousands that had been issued, found only 55 of them entered upon the union books. The higher officials of the International Unions know of course that such conditions exist in the locals, but they seldom do anything about it. It is upon these grafters that their power is based.

Initiation fees are often a source of rich graft, especially in the building trades where such fees run from \$50 to \$300 and higher, and where there is little or no control exercised over the unions' finances. Various ways are used to steal initiation fees. For example, Moretsky, a notorious crook official of the New York Milk Wagon Drivers, conceived the bright idea of collecting the regular \$50 initiation fee and then turning only \$25 in to the union, with the explanation that the applicant was an ex-service man and as such entitled to half the regular rate. Thus Moretsky and his cronies stole many thousands of dollars. Other Business Agents vary the graft by first rejecting the applicants at the Examining Boards and then taking them in for a substantial private consideration.

A skilled initiation fee grafter was Philip Zausner. Zausner, for many years Secretary of the New York District Council of Painters, was an influential figure among New York socialist labor leaders. He opposed Brindell and was advertised all over the country by the Socialist Party as an honest leader in a thoroughly corrupt industry. But some months ago Zausner was exposed by rank and filers in his union. It was shown that he had grafted in every known form from both employers and workers. Initiation fees formed a large share of his illegitimate income. The auditors

found that in the 19 months period 330 names of candidates had been accepted as members, yet not one was on the books as having paid his \$75 initiation fee. This deal, only one of the many that Zausner put through, netted him and his cronies \$24,750. In many cases he actually stole \$150 for a single \$75 initiation fee; that is, he would first pocket the whole \$75 fee when it came in and then later charge off \$75 on the books as having been returned to the new member. The public accountants engaged to audit Zausner's books thus reported on the case:

"We are now in a position to amend our original estimate that about \$30,000 was mis-appropriated and say in its place that it may probably reach anywhere between \$100,000 and \$200,000 for the period of Zausner's incumbency. Nothing was left undone by the officers to rob the treasury of the Council in all sorts of manners and methods, and as the situation now stands the dignity and importance of the New York District Council 8 for the last few years is simply a huge joke."

The New York socialist press militantly defended Zausner to the last, denouncing his accusers. He was finally defeated for re-election by a united front movement of the progressive and left wing elements in the New York Painters local unions. Many other socialist trade union leaders have gone the way of Zausner into corruption.

The ingenuity of the labor fakers in robbing the workers knows no end. Wm. A. Hogan, former International Treasurer of the Brotherhood of Electrical Workers and Secretary of Local 3, included in his graft-repertoire the pilfering of death benefits. Hogan got many members to go to his lawyer and name him as beneficiary in case of death. He was shown to have received the money when several had died. His death benefit graft had other angles also: To raise the money for these benefits each of the 4,000 members in the local was always assessed 50 cents in case of death, or a total of \$2,000. Hogan was unable to explain to the Lockwood Committee what became of the other \$1,000 every time a \$1,000 death

claim was paid. Hogan's clique was succeeded by the O'Hara crowd.

At the present writing a sensational exposure of graft in this O'Hara gang is being made by H. H. Broach, an International Vice-President. He has proved the 17 officers guilty, among other forms of corruption: (1) permitting employers, for cash, to operate "two way" (union and non-union) shops, (2) selling strike insurance, (3) selling union cards to employers to use to cover up their non-union workers, (4) accepting bribes to permit employers to violate union rules, (5) accepting bribes from candidates for union membership, (6) accepting a fee of \$3,500 from union "for expenses and expert advice on the power house situation," etc. The accused promptly took their case into the capitalist courts, seeking to prevent their being removed as officers of the union. These labor crooks, for reasons best known to themselves, have stubbornly refused to organize the workers in the big Edison public utility plants, in spite of unusually favorable opportunities. In turn Broach is building up his own autocratic control. He has 24 business agents at \$100 per week for one local union. Hogan has been reinstated.

To the foregoing methods of thievery prevalent in the unions could be added many more, such as actual embezzlement of funds from the treasury, which often takes place, sometimes by false bookkeeping, but more than once, especially in Chicago, by safe-cracking and fake holdups; selling of charters (the Parquet Floor Layers Union of New York was offered a charter in the United Brotherhood of Carpenters and Joiners for \$2,500); utilizing the unions for bootlegging and gambling purposes (the Cooks and Waiters Unions of Chicago and various other cities are now controlled by bootleggers); contingent funds (John L. Lewis used up \$10,000 through his contingent fund during the past six months); loading up the union payroll with the names of relatives and friends, etc., etc.

By all these devious means the misleaders of the workers

enrich themselves. Thus are produced such weeds as Joseph D'Andrea of the Tunnel Miners and Sewer Diggers Union of Chicago. D'Andrea was a duke among the Italian building laborers. As early as 1911 he sported two automobiles and two chauffeurs. He sparkled with diamonds on his income of \$30,000 per year, gathered through graft from the employers, pilfered initiation fees of the workers, a percentage upon the workers' wages, and in other corrupt ways. Like many of his pals in the building trades unions, he carried the union treasury in his pocket and gave an account to nobody. His word was law in the union. He was shot and killed in 1914, just as he was leaving the union hall. His funeral blocked traffic in the Loop district, four bands blared, eight carriages carried the flowers, thousands marched. "Well done, thou good and faithful servant"—of capitalism.

3. MISUSING UNION FUNDS

The huge funds often possessed by the unions have proved more than tempting to many corrupt labor officials, hence the development of various means of misusing and misappropriating them. Juggling them around so that the interest on them comes to the fakers instead of to the unions is a favorite method. Thus Wm. Ryan, then Secretary-Treasurer of the Illinois Miners and later Secretary-Treasurer of the International, instead of depositing \$250,000 of District 12 funds in the authorized Springfield banks so that the interest would accrue to the union, lent this sum out to local bankers (to his own profit) for speculative purposes. Eventually Mr. Ryan got a \$6,000 job from his friends the coal operators.

Union funds invested in co-operatives have often suffered mysterious fates. In fact the whole American co-operative movement reeks with stories of graft and incompetence. The recent collapse of the string of co-operatives among the Illinois miners left behind it the usual stench. Let us take a

case in point of co-operative mismanagement: In 1923 striking bakers in New York assessed themselves \$60,000 to start a co-operative bakery. In three months the money was gone. It was reported that the bakery was bought for \$24,000, although it was not worth \$10,000. Only \$7,000 worth of goods were produced during its 12 weeks of operation. It was finally sold for \$5,000. Thus at least \$50,000 went up in smoke. But no one who knows the American labor movement was surprised. Such incidents are commonplace.

(a) *The Pressmen's Home*

The notorious Pressmen's Home in Watkins County, Tenn., about 12 miles from Rogersville and about 100 miles from Knoxville, cost the union originally about \$11,000 and Berry, the President of the Union, has since squandered about \$2,000,000 of union funds upon it. Berry owns several thousand acres of farming and stock-raising lands, much of which lies adjacent to the Home. Its value has been greatly enhanced by the proximity of the latter institution. Berry owns the *Rogersville Review*, the Clinchfield Mercantile Co., the Clinchfield Land and Lumber Co., and the Clinchfield Hydro-Electric Power Co. He sells farm products and various other commodities to the Home at fancy prices. The Home, supposedly for the benefit of disabled pressmen, is situated conveniently for his own ends and Berry loses no opportunity to profit by it. Hutcheson of the Carpenters Union, no doubt inspired by Berry's success, is beginning the development of a big Home for carpenters at Lakeland, Florida. Already it smells badly of graft.

In connection with the Pressmen's Home, Berry proceeded to develop his own concern, the Clinchfield Hydro-Electric Power Co., with union funds. For this purpose he misappropriated \$165,000 upon the false pretense that the company was owned by the union. Disbelieving this, Chicago

Pressmen's Union 3, a local in Berry's International, took the matter to court. The court ruled that the company in question belonged to Berry and his friends personally and it ordered them to pay back to the union the \$165,000 which they had misappropriated. Things looked black for Berry. But the employers, of whom Berry is a valuable servant, came to his aid. With their assistance he was able to terrorize the Chicago local into dropping the case, by the threat that if they did not do so their pending demands upon their bosses for better conditions would be categorically rejected. Hence Berry, although convicted in court, was never compelled to pay back the \$165,000.

The ultra-patriotic Major Berry is now a rich man. He is reputed to be worth half a million dollars. When he was elected President of the International at the Brighton Beach Convention in 1907 they had to take up a collection to pay his expenses from San Francisco. Now, in addition to his large properties in Tennessee, he sports, when in New York, a suite at the Waldorf-Astoria. A few years ago he narrowly missed securing the Democratic nomination (tantamount to election) for Governor of Tennessee. When he put up a fight for the Democratic nomination for Vice-President of the United States in 1924 he had the support of wide sections of the capitalist press, Republican as well as Democratic. At that time he had in New York practically all the national organizers of the union, at the union's expense, wearing "Berry For Vice-President" buttons and working for his nomination.

(b) The Fitzgerald Case

Mr. E. H. Fitzgerald is Grand President of the Brotherhood of Railway Clerks. He is one of the traitors who betrayed the great 1922 strike. During 1924, without any authorization whatever from his union, Fitzgerald organized the "Railroad Brotherhoods' Investment Corpora-

tion," which proposed to be a \$10,000,000 company to promote the investment of workers' savings. He applied the whole apparatus of the union towards making this private enterprise a success by inducing the membership to put their money into it. Without authority he used the insignia and stationery of the union. He claimed that his company had the backing of the union and its labor bank. Later, when hard-pushed for an explanation as to why he had started such an institution in the name of the union, he said that at the previous convention the delegates had applauded a speech by one McCaleb on the success of the B. of L. E. financial venture and he deemed that sufficient justification for going ahead on similar lines. To secure some prestige for his company he dug up an unknown W. A. Stone and put him on the Board of Directors, a cheap trick to delude workers into believing that W. S. Stone of the B. of L. E. was backing the proposition. Associated with Fitzgerald in this financial adventure, which soon blew up, were many well known labor reactionaries, including James Wilson of the Patternmakers, Jere Sullivan of the Hotel and Restaurant Workers, A. O. Wharton of the Railway Employees' Department, T. Cashen of the Switchmen, A. Huebner of the Brewery Workers, etc.

The General Executive Board of the Railway Clerks took exception to these high-handed proceedings of Fitzgerald's and mildly censured him, and the union's labor bank, in order to save itself from the inevitable crash, forced him to resign as President of the bank. Fitzgerald then declared war against both. He arbitrarily removed the G. E. B. from office and drove them from the building with the aid of the police. He tried to wreck the labor bank by spreading false rumors about it and by seeking to induce Daniel Willard, President of the Baltimore and Ohio railroad, (who is a heavy stockholder in the bank!) to withdraw his support from it. Finally, the whole controversy, after dragging its way through the capitalist courts, reached the union convention in

Kansas City in 1925. No one who understands our labor movement will be surprised to learn that the convention exonerated Fitzgerald and reelected him President of the union. The railroad companies took care of their man.

(c) *The Barker Case*

During the war period one of the railroad organizations which expanded enormously was the Maintenance of Way workers. It jumped from a few thousand members to almost 300,000. Vast sums of money poured into the union treasury. A. E. Barker, Grand President, spent this, as reports on his case said, "like a drunken sailor." He stole money right and left from the union. In this respect the report to the 1922 convention said:

"That the checks procured as aforesaid, and which were turned over to said Barker, and by him cashed and converted to his own use were as follows, viz: \$7,000, 3-6, \$16,000, 3-14, \$12,000, 4-1, \$8,000, 5-12, \$9,000, 5-26, \$15,000, 5-6, \$5,000, 7-17, \$10,000, 7-31, \$15,000, 8-21, \$10,000, 9-10, \$10,000, 9-16, \$10,000, 10-14, \$25,000, 10-27. All the above being in the year 1919, and \$10,000, January 12th, and \$10,000, January 29th, both in 1920, amounting in the aggregate to \$172,000; that in addition he caused to be issued to one P. M. Draper a check for the sum of \$50,000 . . . appropriated to uses not authorized by this Brotherhood . . . the total sums so taken from the funds and misappropriated by said Barker being in the aggregate the sum of \$222,000."

Barker plunged the organization into all kinds of wildcat business schemes, such as knitting mills, shoe factories, glove works, real estate speculation, etc., all under the flag of co-operation. Out of these ventures he grafted thousands more. On page 200 of the 1922 convention proceedings, in the financial report, the following are shown as the disastrous results of Barker's venture into the fields of trade union capitalism:

Loss: Industrial Department	\$245,956.01
Plus Anticipated Loss	143,421.44
Loss: Investment Department	8,287.60
Anticipated Loss: Columbia Realty Co.	90,000.00
Anticipated Loss: Columbia and Clifford St. Property..	158,329.20
Anticipated Loss: Damages and expenses in settlement of pending litigation	125,000.00
TOTAL	\$770,994.25

Barker was condemned by the 1922 convention and his case was referred to the capitalist courts.

This convention, representing the poorest paid workers on the railroads, presented a sad picture of misleadership of labor. The convention condemned as a crook the former Grand President, Barker. Then it swept out of office, as a traitor, E. F. Grable, the man who had succeeded Barker, because of Grable's flagrant betrayal of the whole body of railroad workers in the crucial national strike of the shopmen in 1922. The convention, which was heavily influenced by progressive elements under the leadership of the T. U. E. L., thereupon elected F. H. Fljozdal on a platform of militant campaign for the amalgamation of the 16 railroad unions. But almost immediately after the convention adjourned Fljozdal lost his enthusiasm for amalgamation and developed into an active enemy of the left wing. Thus three Presidents in a row were Barker, crook; Grable, traitor; and Fljozdal, renegade. What wonder is it that with such corrupt, traitorous, and reactionary leadership this vitally important union, like so many others, has been practically destroyed? For misrepresenting his union Mr. Fljozdal receives the fat salary of \$8,100 per year plus expenses. Tens of thousands of the workers in his union's jurisdiction receive less than \$1,000 yearly.

4. LABOR TEMPLE SWINDLES

Demoralizing graft has often centered around the building of labor temples in the various cities. The need for the

unions to have a common headquarters has all too often been seized upon and exploited by the corrupt elements in the unions. Thus in Buffalo a Labor Temple Association was organized under the secretaryship of J. J. Doyle. This association sold stock to the unions and secured donations from employers to the amount of \$60,000. The promoters peeled off 25% as commission. The "Temple" was not built. Finally, after various other leaks, the investors got back a fraction of their money. In 1925, Doyle resigned from the C. L. U. and became manager of a local daily newspaper.

Cleveland had a similar experience. This time the deal was handled by a couple of labor lawyers, together with the C. L. U. officialdom. When they got done cutting down on the funds of the Temple, by commissions, exorbitant interest rates, etc., only 73% of each dollar went into the building. For years it was a white elephant for the unions to handle. The Temple was actually built, but the unions were never able to secure the ownership of it, although they poured floods of money into it. It remained in the grip of "friendly" lawyers. Recently the local central body abandoned it and left it to the mercies of a few local unions.

That notorious center for labor union corruption, Pittsburgh, of course had its labor temple swindles. The grafters in the local labor movement could not let slip a method of skinning the workers which had been successfully applied in so many localities. They launched the plan of buying a big barn of a building, in 1910, from the Nicola Realty Co., to serve as a general headquarters for the Iron City Trades Council and its affiliated unions. The total cost of the building was to be \$150,000. Immediately intensive campaigns were put on to raise the money, by tag days, assessments upon the workers, and donations from employers, many of them notorious "open shoppers." The first drive netted \$22,410. Of this \$10,000 was paid on the building and the rest split,

upon various pretexts of commissions and expenses, among the grafters promoting the proposition.

For several years afterward similar drives were made and many thousands of dollars gathered. The collectors raked off from this money as high as 40% in "commissions." Upon one occasion the money on hand was stolen from the safe. A scandal surrounded the project for years. The unions never got the ownership of the building. Finally they abandoned it altogether. The loss was variously estimated from \$60,000 to \$100,000. The whole affair had a very poisonous effect upon the unions.

The leader in this swindle was one Frank E. Smith, who had associated with him many shady characters, such as Wm. Kelly, Robert Beattie, etc. Kelly, the head of the Carpenters Union, is one of the ultra reactionaries of the Pennsylvania labor movement. For a long time he has had his hand in every important crooked deal in the Pittsburgh district. Beattie is one of the most contemptible figures in the history of the labor movement, a fit pal for "Jim" Cronin. He was one of those who engineered the notorious "Babcock bribe," dealt with elsewhere. Finally he was exposed as a detective and driven from the labor movement. At the time of his exposure he was a prominent cog in the local Gompersite machine, holding many offices, such as Vice President of the Stationary Firemen's International Union, Business Agent of the local Stationary Firemen's Union, Secretary of the Central Labor Union, President of the Brotherhood Savings and Trust Co. (local labor bank) etc. His reactionary cronies moved heaven and earth to prevent his exposure and expulsion although his guilt was manifest. Only when the unions threatened to withdraw their funds was he ousted from the Presidency of the labor bank. Beattie is only a sample of scores of similar labor faker-detectives. The distance from a reactionary labor leader of the Gompers school to a detective is short and many have found it very easy to travel.

5. THE UNION LABEL GRAFT

The union label has been a prolific source of official graft, both from employers and workers. As pointed out earlier, it is one of the demoralizing forms of class collaboration practiced by the trade union leadership, and it lends itself readily to corruption. Thus, often the United Garment Workers officials, headed by the notorious T. A. Richert, will give the label right, for a consideration, to employers who permit only a fraction of their workers to be "organized." Likewise the label has been accorded to employers who ran complete "open shops." These practices fattened the pocketbooks of the union officials. For example, some years ago it was discovered that the national office of the U. G. W. had sold 250,000 union labels to a non-union concern. The Boston local took the matter to court but was defeated. Similar court cases have taken place in other cities. The selling of union labels to non-union employers, both on a local and national scale, became such a scandal that General Secretary White of the U. G. W., who was a part owner of the print shop in which the union labels were printed, was removed from office and expelled from the union.

Growing out of the demoralization of the label system of organization a deep-going revolt developed in the U. G. W. and, following its Nashville convention in 1913, the secessionists formed the Amalgamated Clothing Workers. The U. G. W. fought the A. C. W. with a policy of open scabbery, everywhere (Boston, Buffalo, Cincinnati, Rochester, Baltimore, etc.) joining hands with the employers and the policy to crush the new union and to drive the workers back to the shops to slave under the U. G. W. "label agreements." Adamski, the leading field man in this strike-breaking campaign, was sent as the A. F. of L. delegate to the British Trade Union Congress in 1925.

In the building trades the selling of the union label to employers to be placed on non-union made products so they

can evade the union embargo has often been a substantial source of income to corrupt Business Agents. Among the Boot and Shoe Workers and other labor organizations similar practices are carried on. The Brockton shoe strike, dealt with elsewhere, indicates the resentment of the workers at this degenerated type of unionism.

A common form of petty label graft is that carried on in the so-called "label-stores" in various cities. These may be the stores of "friendly" merchants or they may be organized on a pseudo-cooperative basis. They specialize in wearing apparel. They charge from $1\frac{1}{2}$ to 3 times the regular prices for their commodities because they carry the union label, which active union workers must wear in their clothes. The saying is that at such places one buys not a shirt or a necktie but the union label. The agents of such concerns pester the central labor bodies and local unions with propaganda on the "blessings" of the union label. In this they are assisted by the various label internationals, which instead of carrying on intensive campaigns to organize the workers, waste tens of thousands of dollars yearly boosting the union label, meanwhile poisoning the entire labor movement with class collaboration illusions.

6. EXPLOITING THE LABOR BANKS

When the reactionary trade union leaders made their big plunge into labor banking, beginning about 1920, it was to be expected that they, accustomed to handling union funds recklessly, would soon begin to get their new banks into difficulty. The first one to crash was the Producers and Consumers Bank of Philadelphia, on May 4, 1925. This bank was organized by one Wharton Barker, formerly financial adviser to the Russian Czar. He and a couple of others cooked up the bank scheme, called it a cooperative, and secured the endorsement of the local labor movement. The unions

and the workers invested in it. Finally it collapsed and died of "frozen" credits, bred of making loans upon insufficient security. It was reorganized as a "labor bank" in connection with the company union of the Philadelphia Rapid Transit Co.

The next labor bank to go under, because of wild financial methods, was the Brotherhood Savings and Trust Co. of Pittsburgh. The head of this bank, after the expulsion of its President, the spy Beattie, was one McGrady, a lawyer who is the son of a millionaire scab contractor. The bank failed after a huge theft of its funds, carried out under the most suspicious circumstances. McGrady was negotiating with a supposed bond salesman, C. E. Knapp, and in payment for bonds which were to be delivered later, he gave Knapp offhand \$320,000, of which \$102,000 belonged to the bank. Result, Knapp disappeared but was arrested five days later after a sensational search. He claimed that he had been held up and robbed, and had not reported the matter because he was "too excited." Kelly, Business Agent of the Carpenters, and several other labor leaders at the head of the bank were arrested for complicity. At last reports they were still awaiting trial. They have been forced to resign their union positions. Knapp was found guilty, in spite of powerful and mysterious attempts to shield him, and sentenced to from 1½ to 3 years in the penitentiary. Although all but \$30,000 of the stolen money was eventually recovered the bank was wrecked.

The latest and largest collapse of labor banks and investment companies, through graft and mismanagement was in the case of the B. of L. E., great champion of trade union capitalism. But this event is so significant and of such far reaching importance that we reserve the whole next chapter for it.

CHAPTER VII

THE TRADE UNION CAPITALISM SWINDLE

The corruption and misleadership of the trade union officials reach their depths in trade union capitalism. The labor banks, investment companies and insurance concerns give them access to millions of dollars which they misuse and misappropriate in their characteristic way. In the previous chapter we have pointed out such instances, in the case of Fitzgerald, Barker, and the Philadelphia and Pittsburgh labor banks. But this corruption came most dramatically to expression in the recent wrecking of the financial institutions of the Brotherhood of Locomotive Engineers.

When the trade unions began, about 1920, to plunge into capitalistic business, the B. of L. E. took the lead. It rapidly organized a dozen labor banks with resources of \$50,000,000, 11 investment corporations capitalized at \$34,000,000, a score of mortgage, investment and industrial companies with at least \$10,000,000 resources, and such investments as the bank and office buildings, \$7,777,685; Park Lane Villa, \$2,600,000; Coal River Collieries, \$2,800,000; Equitable Life Building, \$2,394,000; Venice, Fla., \$16,000,000. All told, banks, investment corporations, real estate projects, industrial companies, etc., the financial enterprises of the B. of L. E. amounted to the imposing total of \$100,000,000.

For a time everything went lovely. Fulsome praise was poured out upon Warren S. Stone and his associates for their "wonderful" financial achievements. They were the idols of every labor bureaucrat who itched to get his hands on the workers' slim savings. The capitalists welcomed the

whole development. Wall Street opened its doors to Stone as the herald of a new day of no strikes and a docile working class. The union, saturated with the illusion that it was on the highway to becoming wealthy from capitalistic enterprise, enthusiastically supported the new banks, etc., as they rapidly succeeded each other. The union lived in a golden dream.

1. A RUDE AWAKENING

The golden dream is now quite at an end. The disillusionment came during the B. of L. E. Convention held in Cleveland from June 6 to July 21, 1927. The delegates discovered their union to be plunged into one of the greatest financial failures in American history. The vast network of banks and investment companies, which they had thought to be such a glowing success, turned out to be nothing but a ghastly ruin. Their trusted and "brilliant" leaders they found to be charlatans and grafters. They learned also that the union funds were gutted and that they, personally, could be held liable for millions of dollars squandered in the incredible financial debauch. They confronted a desperate situation threatening the very life of their organization. It was indeed a rude awakening.

Faced by this crisis, the deepest in the 64 years' history of the B. of L. E., the delegates practically turned the convention over to a receivership, the Committee of Ten, with an attorney, Judge Newcomb, at its head. Then for six and one-half weeks, the longest convention ever held by the B. of L. E., and at a cost of about \$1,000,000, they struggled to find a way to save their organization.

The convention showed practically every enterprise of the B. of L. E., to be bankrupt. The loss runs into the millions. The Com. of Ten submitted no general balance sheet. But some approximation of the loss can be gained from the fact that after putting a \$4,000,000 mortgage on the two Cleveland office buildings, milking the general funds of several

hundred thousand dollars, and arranging for a \$7,200,000 assessment, Chairman Myers of the Committee of Ten said: (p. 2061)* "I want to say that at the end of two years the committee will be badly mistaken if we don't find ourselves with an indebtedness of approximately \$8,000,000 hanging over us." Thus the loss would be at least \$19,000,000. This does not take into account millions lost by members personally, for which the B. of L. E., provides no accounting. Del. Merriman, (p. 2015) even suggested a total loss of \$30,000,000, and no one rose to contradict him.

2. THE MORNING AFTER

Business institutions wrecked, union finances gutted, officials discredited, themselves tricked and robbed, the union itself menaced,—it was not a beautiful picture for the delegates. As the full force of the disaster hit them they began to get an inkling what the left wing meant when it had declared in season and out that trade union capitalism is fatal to trade unionism. Typical expressions of the delegates were:

"I liken this situation a great deal to the San Francisco earthquake, when the city was shaken down and burnt up. . . . It has hit us something like that earthquake." Del. Burbank (p. 2130).

"You stand here today confronted with a situation that I do not believe a labor organization at any time before this, in all the history of the world, had to combat." Del. McGuire (p. 672).

Although the delegates were determined to save their union at all costs, something of a panic hit the convention as disaster piled upon disaster. The lawyers, with their own plans in mind, cultivated this panicky feeling:

"If there is any default on any of these guarantees which have been made, they can track you back to your homes and follow you down personally and individually to your last dollar." Judge Newcomb (p. 2002).

"We do want to impress upon you that in our judgment you are

*Where such page numbers are given it refers to the page in the printed convention proceedings.

rapidly running to ultimate destruction of your Brotherhood itself and that no measures can be too heroic to be taken by you at once to save the situation." Letter from Attorney Squires (p. 1408).

One thing the delegates learned—they have had a sufficiency of trade union capitalism. It would have taken a brave "labor-banker" to face the disillusioned and enraged body of engineers and spin to them the fairy tales, formerly gospel in the union, about labor becoming capital and the workers winning a competence by investing in labor banks and similar concerns. Del. McGuire, of the Committee of Ten, expressed the almost unanimous opinion when he said (p. 2002):

"I have been giving all my time for several weeks to studying this problem and it has resolved itself into three or four words, and they are: 'Get out of it, and the quicker you get out of it, why the better off you will be'."

3. A SURVEY OF THE WRECKAGE

The Cleveland bank, with \$27,000,000 resources, was the clearing house for the wildcat speculations of Stone, Webb, and their crowd of frenzied financiers. At the opening of the convention it stood loaded with worthless paper from the various investments and banks of the B. of L. E. It was in the hole with "frozen assets" to the tune of \$1,600,000. The bank examiners were literally standing at the door ready to close it. A run on the bank started. The bank trembled on the verge of a collapse, which would have pulled down with it the whole flimsy financial house of cards of the B. of L. E. It had to be given a dose of oxygen immediately. Various other banks were in trouble. The New York bank had \$500,000 of worthless paper and was threatened with foreclosure. The Cleveland bank took up this junk, whereupon the New York bank was sold. The Philadelphia bank had also been in trouble and had fallen into the clutches of Mitten interests. The Birmingham bank was similarly wrecked and then sold.

The Brotherhood Holding and Investment Companies were the financial dump heaps of the B. of L. E. "financiers." Said Del. McDermand, Committee of Ten, (p. 1306):

"What were these companies organized for? Just to furnish a dump to wash out the bad paper of the banks . . . the first holding company (B. of L. E. Holding Co.) was organized for \$1,000,000 for that purpose. When they got it organized and got the stock sold it was not big enough, they had more paper that had to be gotten out of the banks. So they organized a \$10,000,000, corporation (B. of L. E. Investment Co.) They said, 'Let's make it big enough this time.' Then they started to fill that up if you please."

The \$10,000,000 of preferred stock of the Brotherhood Investment Co., was gobbled up by the union members, even as the \$1,000,000 of its predecessor, the B. of L. E. Holding Co. It cost \$1,500,000 to float the Investment Company. The rest was invested in various wildcat adventures. Among the "assets" of the Investment Co. were one item of \$5,231,176 interest in the mad Florida land venture, and another of \$1,775,000 in the equally foolish Coal River Collieries, neither of which notes are worth much more than the beautifully lithographed paper upon which they are inscribed. The B. of L. E. auditors reported that with "few exceptions" the assets of these two companies were "frozen."

Coal River Collieries, capitalized at \$5,000,000, is thus pictured by Judge Newcomb (p. 1410):

"\$2,800,000 worth of stock in the Coal River Collieries has been issued. The Coal River Collieries owes your Investment Company \$1,650,000, to other creditors, it owes approximately \$300,000. It needs for immediate equipment, if that property is to function as it should, an expenditure of \$500,000. That is Coal River . . . if you tried to save Coal River Collieries you would be sending good money after bad. That is a wipe out, men."

In *The Nation* March 18, 1925, John L. Lewis, Pres. of the U. M. W. of A. thus describes the union-wrecking management of this concern:

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"Immediately, Coal River Collieries, whose mines are in the non-union territory of southern West Virginia and Northeastern Kentucky, joined in an assault upon the Jacksonville agreement. Up to that time Coal River Collieries had employed union miners and paid the union scale in the West Virginia mines, but had operated its Kentucky mine non-union. Mr. Stone, like other non-union operators, demanded that his employees take a reduction in wages. The United Mine Workers refused. Mr. Stone closed down his West Virginia mines rather than pay the union scale. Next Coal River Collieries imported strike-breakers from the non-union fields of Virginia, Kentucky, and Alabama. . . . Then the union miners were evicted from their homes. The U. M. W. A. has made not only repeated but continuous efforts to adjust this matter with Mr. Stone and his company, but it has met with the same identical refusals and opposition that it has many times experienced with cold-blooded, hard-boiled, non-union coal companies."

Park Lane Villa, a gorgeous apartment hotel in one of Cleveland's most aristocratic districts, was one of Stone's fantasies. Unrentable, it had to be rebuilt at a cost of several hundred thousand dollars. Stone and other union officials lived there, paying rents of from \$600 to \$1100 per month. Park Lane Villa carried \$2,600,000 obligations. During the convention it was sold for \$1,250,000, a loss of \$1,350,000.

From its investment in the Equitable Building the B. of L. E. made approximately \$1,000,000, but it left a terrible stench behind. Shortly after the sale of this stock the purchaser, Mr. Baldwin, gratefully made a present of \$35,000, or \$2500 each, to the 14 officials of the union. The stock advanced from \$53 to \$91 per share. Did he know of the coming advance when he bought the stock? Did the union officials know? They pocketed Baldwin's "present." At the convention, where the matter was made an issue, some of them gave it into the union. Others kept it. When Prenter, Stone's successor, was questioned he said defiantly, "I took mine and it is nobody's damned business" (p. 1335).

The B. of L. E. has two big office buildings in Cleveland. The first, known as the B. of L. E. office building, cost \$1,176,751. In 1926 it made a net earning of \$105,339.

The second, the B. of L. E. bank building, is a white elephant. Built upon an extravagant, cost plus basis at the enormous figure of \$6,600,934, and with two-thirds of its offices constantly idle, it operates at a loss. Up till now it has made a total deficit of \$276,289. These two buildings, which cost \$7,777,685 but are probably worth only \$6,000,000, were at the opening of the convention already blanketed with mortgages totalling \$7,500,000. The convention added another \$4,000,000 mortgage, making \$11,500,000. Thus these buildings are bankrupt. They cannot pay interest, much less principal.

The insurance and pension funds of the B. of L. E. were rich pickings for the labor bankers. The union, being based heavily upon insurance, has \$189,000,000 of insurance on its books, and, at the close of 1925, it had \$10,694,000 in this fund. These monies have been used up to finance the various blue-sky promotions of Stone and Co. Without even a shadow of authority, the official clique poured vast sums of this insurance money into Florida and the other financial sink holes, the biggest slab, \$7,500,000, being buried in the hopeless office building mortgages. The insurance and pension funds are thus virtuously bankrupt and can only be replenished by taxation of the membership. Del. Henry, referring to the guilty officials, said (p. 1935), "They have robbed the widows and orphans. They have robbed the poor old men of my division."

The greatest financial disaster of the B. of L. E. was its vast land speculation at Venice, Fla., on the Gulf Coast below Tampa. In May, 1925, a month before he died, Stone informed the union leaders that the union faced a deficit estimated at \$6,000,000 in its failing business enterprises. To recoup, the union leaders recklessly decided to plunge into the wild orgy of speculation in Florida, which was then at its height. In the *Railroad Amalgamation Advocate*, July, 1927, Jack Kennedy thus describes the program:

"Florida! Magic Word! That was in 1925 when Florida was El Dorado indeed. Fortunes were being coined by mere signatures of the pen. Land values were soaring higher than real estate sharks had ever dreamed they could—even in the palmiest California days. The Brotherhood should plunge in Florida, clean up ten, twenty, thirty millions in a year. And Webb could be sure that he would clean up also. Accordingly it was announced to the world that the B. of L. E. had bought 30,000 acres of choicest Florida land. Here a model city—Venice—would arise. This year a swamp and a wilderness 20 miles from the nearest town. Next year the Miami of the Florida Gulf Coast."

The plan for a gamble and a quick get-away with a few millions of easy Florida money developed into the proposition of building Venice into a great new winter resort. Eventually 50,000 acres of land was purchased. For the promotion of this scheme the B. of L. E. Realty Co., capitalized at \$1,000,000, was organized. Then a flood of money was poured into it, from insurance and pension funds, from the banks and investment companies, from the sale of stock to the membership. All the tricks of the sky-blue real estate sharks were used to inveigle the workers into this financial morass. Visions of waving palm trees, tropical breezes, golden strands, marvelous climate, incomparable fishing, hunting, and the other features of a heaven on earth, were spread before their eyes. "Come to Venice, the resort supreme on Florida's West Coast. There ten acres and independence await you," screamed the gaudy, multi-colored circulars with which the union members were deluged. All told, according to the Committee of Ten report, \$16,000,000 was invested in Florida.

The building of Venice went ahead in an unparalleled maze of speculation, extravagance, and graft, when suddenly the bottom fell out of the entire Florida land boom. Real estate values fell to a half or a third of their former figures. The B. of L. E. was left holding the sack. The Florida scheme, in which hundreds of engineers had invested their

last dollar, utterly collapsed. Judge Newcomb estimated that if several more millions were poured into Florida probably "five or six millions" of the original investment could be saved. That was Florida. From \$12,000,000 to \$15,000,000 lost. Promised dividends changed into a flood of financial burdens. Dreams of wealth turned into nightmares of debt. The very life of the union threatened.

4. GRAFT

The convention showed the B. of L. E. and its financial organizations to be saturated with graft and corruption of every description. The various financial deals gave the greedy union officials ample opportunity to feather their nest at the expense of the workers. Thus, for example, said the Committee of Ten:

"It was stated to your committee that the purchase of the leasehold from a bankrupt concern by the Coal River Collieries Co. netted a profit to the promoters of possibly \$550,000. It was also stated by witnesses that the stock transactions netted Brothers Stone and Prenter in the form of bonuses, a personal profit estimated from \$60,000 to \$100,000 to each of these gentlemen."

Venice was full of such graft. The following item gives an inkling of what went on there:

"Up till March (1927) we had only \$7,000,000 at the most in Venice and Webb and his gang (the Empire Trust crowd) sold this organization about \$7,000,000 worth of land in 19,000 acres." Del. Abbott (p. 1974).

"It is simply a question of some people wanting to make a sale. One deal has already been put over and we have paid a big profit for some land owned by Mr. Webb and his friends, and there is a lot more under consideration, if not bought." Del. Huff (p. 1284).

This means that Webb and his labor leader cronies bought up Florida land cheaply and then palmed it off upon the union at greatly advanced prices. The \$7,000,000 worth in question was foisted upon the union just a few months before the convention, when these officials knew that the whole financial

system was bankrupt. They depended upon the rank and file of the engineers to make good the financial obligations of the union. How many hundreds of thousands, if not millions, the B. of L. E. "financiers" made out of this criminal swindle was not developed at the convention.

With such deals in mind it is easy to understand how Florida soaked up so many millions of the workers' money. It also grows clear how Mr. Prenter about this time could purchase a \$250,000 Cleveland estate, and Webb, a \$750,000 mansion on Magnolia Drive, Cleveland's "Gold Row." Chairman Myers, of the Committee of Ten, declared that the 2,000 pages of testimony submitted to this committee are "A history unparalleled by anything that has ever come to light" (p. 1340).

Salaries in the financial institutions provided a prolific source of graft. . . . The Committee of Ten's report says: "Some of your officers have lost all regard or appreciation of the fact that their expenses are drawn out of the funds of the organization or its subsidiary companies. . . . Some of your officers in travelling require a section of a sleeping car, others require drawing rooms, and in some few instances a special car was attached for their accommodation." The union officials loaded up the payroll everywhere with their relatives and friends, incompetent and crooked, at enormous salaries. Thus Stone put his nephew, A. R. Stone, at the head of the New York bank. He ruined things. Upon Stone's death, said Del. Huff (p. 1344) they requested "that he would please leave the bank and not take anything with him but his hat, and he did." Webb, with Prenter's O. K., gave his North Dakota friend, Davis, a \$10,000 a year job in the New York bank. Another of his friends, Cass, he stuck at the head of the financial concerns on the Pacific Coast. J. P. Dunigan, President of Coal River Collieries, is a brother of Ass't Sec'y Dunigan, and so on for hundreds of similar cases. The bureaucracy was built to the limit. Even Government officials

protested at the shameful condition. Said the Federal Examiner (p. 1403), "Your salaries have gone from \$41,000 in the first six months that you operated this bank (Cleveland) until today they are \$181,000 for six months." The Comptroller of the Currency told Secretary Lindquist (p. 1272), "My God, Lindquist look at the employees and officers you have in this bank, eighteen officers, you ought to run it with eight. Your overhead is double what it ought to be."

Webb got \$48,000 per year, aside from expenses and "what he could make." Many officials drew salaries from both the bank and the union. Said one (p. 2004), "We find Brother Fehr receiving a salary of a thousand dollars a month from the Investment Company and of \$5,400 a year from the B. of L. E. on a purely clerical job." Mr. Smith, head cashier of the Cleveland bank, (another relative) received a monthly salary of \$800 and deposited \$1000 each month to his savings account, an economical man. "Clerks are receiving as high as \$6500 per year." The conditions in the Cleveland bank are typical of all the financial institutions of the B. of L. E. They cannot be called wastefulness or inefficiency; they are unadulterated graft.

The case of Vice President Wills illustrates the official payroll corruption. Wills, legislative representative at Washington, had been a union official for almost 50 years. His salary was \$8,500 per year. Not content with this, plus a large political slush fund for which he was not required to make accounting, he charged the union \$6.00 per day for hotel expenses although he was living at home. At present he is 79 years old. At the age of 70 he became eligible for pension, 20% of his salary. For nine years he drew this pension, although he was on full time pay. Mr. Wills, a typical black reactionary, is reputed to be worth \$400,000. He was fired from active service by the convention.

5. EXTRAVAGANCE

The B. of L. E. officials and their capitalistic partners squandered the money of the engineers like drunken sailors. Just a couple of items out of hundreds—the San Francisco bank has \$215,000 in furniture and vault equipment, as against \$187,000 in the ultra-extravagant Cleveland bank—the manager of the office and bank buildings drew \$23,969 (p. 1911), exclusive of janitor expense, for managing the buildings. What proportion of such expenditures is graft and what sheer extravagance cannot be determined. Undoubtedly the graft element is large. Consider the following item (Committee of Ten report):

“The expense for furnishing Park Lane Villa was \$300,000. A Mr. Biskin, who negotiated the furnishings of the building, was given a bonus of \$65,000. Mr. Biskin later ‘served time’ because he failed to make a return in his income tax for the amount of money involved in this transaction.”

Venice bristles with examples of wild expenditures. Webb estimated that “the elegant Hotel Venice” would cost from \$175,000 to \$200,000. Its actual cost was \$633,000 and its estimated value is \$300,000. An auditors’ report said, “the affairs of the B. of L. E. Realty Co., have been managed in the most inefficient, extravagant, and unbusinesslike manner” (p. 358). Judge Newcomb declared (p. 1411), “Oh, the expenditures have been terrific! Your whole organization has been operated as if over here at the rainbow’s end there was a pot of gold which would never run out.” McGuire said, “The B. of L. E. venture in Florida presents one of the most lavish expenditures of funds in the history of realty development.” Del. McIlvenny gave the following lurid but conservative picture of the graft and extravagance in the B. of L. E. institutions:

“The extravagance in Florida surpasses the understanding or comprehension of the common lay member of any civilized community. Hotels built on a cost plus basis, and we thought the war was over

in 1918. A hotel that cost \$638,000 which was testified by one witness could have been built for less than \$400,000, and the actual cost report sent in by Bro. Huff to Cleveland was mislaid or lost. I wonder why. I don't know what it costs to build a city . . . but why should we maintain a fleet of busses, Buicks and Lincolns if you please, with an officer's nephew as superintendent of transportation at \$400 per month, with paid outside drivers, superintendents of farms, bathing beaches, sewers, ditches, hotel managers, bosses, and incidental help, tarpon boats, high-pressure salesmen, and women with a 10% rake-off on sales divided up with the Mayor, certain superintendents, and Heavens knows who else. When we think of having paid a firm or realty company \$190,000 to cancel a contract because of their questionable methods without a protest or legal action of any kind, when we go across the street to our bank and see the waste and extravagance in this building, with our electric plant big enough to supply a city and not used, we paying for electricity to an outside company, when we go forty feet below the street and find an elaborate toilet room furnished in Italian marble and never used, you cease to wonder where some of our money has gone in extravagance."

6. CHICANERY

The B. of L. E. "financiers" used every imaginable kind of deceit, chicanery, and manipulation in order to use the workers' funds as they saw fit and to inveigle the union membership into backing their speculations. For weeks the convention delegates were lost in a maze of tangled financial transactions worthy of a Ponzi. Even Judge Newcomb was stumped. He said (p. 504), "When I follow some of these business transactions through their different companies into this company and on to another I am dizzy." Illustrating methods used, Del. Myers, Committee of Ten, said (p. 1292):

"Here you have every asset that we have frozen as tight as the North Pole. They have shuffled the loans from one thing to another in the Investment Co. and back from the Investment Co., into the Realty Co. Why talk about Kellar, the juggler? They have got him beat 100%. It is pretty near enough to make a man insane to try to fathom out the conjuring and conniving that was done. . . ."

Thus Del. Van Pelt, Committee of Ten, illustrated the juggling (p. 366):

"The B. of L. E. Investment Co. bought the land in Florida. . . . It was found that the B. of L. E. Investment Co. under its charter rights could not hold real estate, so they organized the B. of L. E. Realty Co. The B. of L. E. Realty Co. gave its stock to the Investment Co. for the land. The Investment Co. sold the stock to the B. of L. E. proper, for which the B. of L. E. gave them notes. The Investment Co. goes down to New York and hypothecates these notes and gets the money and lends it to the Realty Co. That statement multiplied by a hundred will give you something of a picture of the situation across the street (in the bank)."

When the delegates, lost in such mazes, tended to concentrate upon and discuss the bad \$1,600,000 paper in the bank, Ass't Grand Chief Engineer Edrington interrupted, saying (p. 1973):

"I wonder why we should worry over a million and a half investment over here when we have a ten million dollar Investment Co., about thirteen million in Venice, and other things."

The labor financiers engaged in various shady and illegal practices. They carried too low bank balances; they made huge loans, contrary to law, between their various related institutions; they paid fake dividends to mislead depositors and stockholders; they voted the insurance and pension fund into their speculative companies; they hid the bankrupt condition of their enterprises by fake reports and the suppression of real reports. Thus Prenter tried to tell the Committee of Ten that there was but \$7,000,000 invested in Venice (p. 1402) whereas the records show at least \$16,000,000, without counting private investments. Thus Attorney Squires declared (p. 1405) that efforts to investigate the Florida investments were being blocked by union officials. Thus the officials overvalued by several hundred thousand dollars the stock carried on their books as assets. And thus the Committee of Ten (p. 355) pointed out a discrepancy of a million dollars in the

report of the Treasurer on the union's obligations; the Investment Co. made a "paper profit" of \$2,500,000 by selling the Florida land to the Realty Co., etc. But the worst was the lies spun to make the engineers cough up their money to finance the many wildcat banks and investment companies.

"The B. of L. E. does not do things by halves. Its banks, its buildings, its Insurance and Pension Associations are as good as trained brains can create. Venice is being built upon the same high standard of achievement" (Venice promotion circular).

"Sales to the membership are made entirely by mail. The membership list is carefully guarded, and before the bond department can send out an offering to the members the approval of the Advisory Board of the Brotherhood has to be obtained and its members satisfied that the securities we offer are precisely what locomotive engineers and firemen ought to invest they money in." (A. B. Green, V-P, Cleveland Bank, *Saturday Evening Post*, Nov. 6, 1926.)

"The Investment Co. began to make money immediately and has continued to do so, paying its preferred dividends regularly and accumulating a substantial surplus." (Inspired article by Stockbridge in *Saturday Evening Post*, Nov. 6, 1926.)

Such material was put out when the union officials knew that the banks and investment companies were bankrupt. Judge Newcomb read the following fake advertisement to the convention, saying (p. 1407), "What a far cry from that prospectus to the situation in your Investment Co. That describes anything in the world. It does not describe your Investment Co.":

"The holdings in the Investment Co. will consist of carefully selected investment securities of the highest grade, all of which have a substantial value pledged to their redemption in excess of the price paid for them. Proceeds of the present (stock) offering to be used for the purpose of various types of income-producing investment securities, such as Government, municipal, public utility real estate, corporation bonds and the like and for investment in stocks of banks and trust companies."

7. AUTOCRACY

The convention disclosed to the engineers how autocratically their officialdom ran the B. of L. E. In his day Stone was an absolute dictator. Read what a few delegates said:

"Warren Stone was a Czar. He told us what companies we should be directors of. He said, 'You will be a director of this, you will be Vice-President of this' (Grand Chief Engineer Johnson (p. 1763).

"Nobody at the last convention or prior to that time could come in here and express himself as he wanted to or as he knew the exact situation was at that time, because he was sat down so hard that he would scrouge in his seat and was afraid to get up. It was ruled by an iron hand and strong arm" (Del. Mayfield, p. 1305).

"When they wanted to buy a building upon Euclid Ave., (later Park Lane Villa) a \$1,400,000 transaction, Brothers Stone and Prenter bought that building without ever coming to the convention for authority. He (Stone) didn't even consult the other resident members of the Advisory Board that were in the building at the same time" (Del. Simpson, p. 1283).

Stone's word was law. He was a sort of uncrowned king. Those who opposed him he crushed. Surrounded by cringing sycophants, he was irresponsible. Prenter was his man Friday. Del. Huff, (p. 1344) said:

"Between May 15th and perhaps the 25th of May, 1925, we were called together here and coming like a bolt of thunder out of a clear sky, the report of our terrible plight was thrust upon us. At that time Brothers Stone and Prenter made certain confessions about having withheld information from us that should have been ours, and told us what we must do to save the situation. They said the only thing to do was to underwrite, if you please, I think about \$4,000,000 worth of stuff that was in bad shape here in the Investment Co."

Upon receipt of this news Johnston, Huff, and Bissett made a weak fight to have a convention called. But upon Stone's opposition they gave up their demand and allowed him to go on with his deficit, later estimated at \$6,000,000, and criminal speculations. Stone died shortly afterward. His clique went right ahead on the same lines, even outdoing Stone

for recklessness and irresponsibility. They went into Florida, spending millions of dollars, without so much as a by-your-leave from the members. They asked no permission for that any more than they did for dozens of other deals, many of them contrary to the union constitution, and involving millions of dollars. Thus said Del. Van Pelt, Committee of Ten, (p. 1305):

"On the same day (in Venice, Nov. 6, 1926) they (four members of the Advisory Board) turned over to (session) of the membership of the Board of Governors of the Pension Association and lent themselves \$200,000. It was not a quorum of the Advisory Board, not a quorum of the Board of Governors, and not a single one of them was a Trustee of the Pension Association, if you please."

At the B. of L. E. convention the guilty officials tried to creep out of responsibility for the financial debacle by pleading ignorance of banking as an excuse for their "mistakes." But such attempts were worse than ridiculous. No doubt ignorance played some part, but it was not the decisive factor. Venice, with all its corruption and waste, was not the result of stupidity, but primarily of crooked manipulation. And so it was with the whole system of the B. of L. E. trade union capitalist institutions. The entire affair constitutes the greatest mass of grafting and reckless handling of the workers' money in the history of the American labor movement. Stone and Prenter make Brindell and O'Donnell, the notorious New York and Chicago building trades grafters, look like tyros.

8. SOME "SAVIOURS" APPEAR

Confronted with such astonishing developments, the convention delegates correctly decided that the union should get out of the trade union capitalism business at once. The following resolution was adopted:

"That it be the policy of the B. of L. E. to liquidate our banking, investment, and realty interests at the earliest possible moment and in such a manner as to occasion the least possible loss."

With the B. of L. E. properties practically upon the auction block, it is not surprising that there should develop capitalistic "friends" eager to "save" them and the union. Two such appeared: Dr. A. A. Mitten, company unionist and strike-breaker, of the Philadelphia traction interests; and Judge A. G. Newcomb, attorney for the Committee of Ten, and representing Cleveland business interests.

(a) The Mitten Plan

Dr. Mitten made an aggressive attempt to grab control of the B. of L. E. financial institutions. He approached the convention as a brother-in-arms in the class collaboration movement, saying, "I have been preaching the same philosophy that you fellows have been preaching—labor must become capital." As the first condition of his program, he said, "I should expect that you would adopt as your own policy the Mitten industrial philosophy of increased compensation for increased efficiency, to the end that labor become capital."

Dr. Mitten proposed the organization of the "B. of L. E.-Mitten Banking Corporation," with a capital stock of \$10,000,000, of which \$5,000,000 was to be paid in immediately, \$2,500,000 by the B. of L. E. and the same amount by the Mitten interests. The new corporation should buy all the shares of the banks, trusts, and distributing companies controlled by the B. of L. E. The B. of L. E. should guarantee all inter-company debts, all inter-company investments, and all questionable assets, as Mitten would require. To govern the banking corporation there should be a board of directors of 13, of these 6 from the B. of L. E. and 7 from the Mitten interests, giving Mitten control.

This would take care of the banking institutions. As for the investments in real estate, industry, etc., Mitten proposed

the formation of a second corporation to be known as the Investment Development Company, with authorized capital of \$5,000,000, of which \$1,000,000 was to be put in immediately by the B. of L. E. companies. Debentures to the extent of \$25,000,000 should be sold to the B. of L. E. members (Mitten expressly forbade their sale to the general public) to finance Venice, Coal River, Park Lane Villa, etc. Of the board of directors, the Mitten interests should have 7 out of 13, the controlling interest.

The most monstrous part of this brazen attempt of Mitten to capture the B. of L. E. financial institutions, to dictate the basic line of union policy, and to load the membership up with \$25,000,000 to \$30,000,000 of further doubtful stocks, was that it came before the convention with the connivance and support of the "Grand" officers of the union. Undoubtedly, as Judge Newcomb said (p. 1407) Prenter's aim was "that the Mitten plan would come out here and slip through quietly and you would elect your officers and go your way." Del. Moraghan (p. 2016) asserted that a bribe of \$40,000 was in prospect for certain members "if they could have rammed the Mitten plan down our throats." The opposition was too strong. Mitten was "given the mitten." His co-conspirators against the union turned against him and said they knew him not. Disconsolate, he left, saying (p. 509):

"I felt that I was coming here with the full approval of the Advisory Board, the only authority for the Brotherhood that I know of."

(b) The Newcomb Plan

Judge Newcomb also had his plan. His first job was to smash Mitten, and he did it with neatness and dispatch. He, not the union officials, exposed and blocked the Mitten scheme. But he did it in order to foist upon the union another "plan" about equally as bad. The union was saved from the Mitten frying pan only to fall into the Newcomb fire. Newcomb's

proposals were adopted practically 100%. In brief, contrary to the determination of the delegates to get out of capitalistic business at once, they envisaged the "saving" of most of the financial structure and investments, and the unloading of only the ones inconvenient to Newcomb's group.

Judge Newcomb, like Dr. Mitten, was out especially to "save" the Cleveland bank. Like Mitten again, his plan was to turn it over to a group of idealistic capitalists, but his capitalists, not Mitten's. He proposed, and it was accepted, that although the B. of L. E. should own 51% of the stock, to be voted by Grand Chief Johnston, "the Board of Directors of the B. of L. E. Cooperative National Bank be filled as rapidly as possible by a majority of directors who are not members of the B. of L. E." Then he had the convention guarantee the bank's deposits and other obligations. He hastened to assure the rank and file, who wanted complete separation of the Protective and Financial departments (p. 1887), that "Grand Chief Johnston will not have to spend a minute in that bank after you are able to get the proper set of directors." Johnston is being put in, he said, "because he will attract deposits from all over the country" (p. 1877). "We are building up scenery, that's all." Thus, with the debts of the institution guaranteed by the B. of L. E., and with the majority of the stock voted by a dummy who does not "spend a minute" in looking into the affairs of the bank, Newcomb's capitalists have an unparalleled opportunity for speculation and graft at the expense of the B. of L. E. membership. Mitten, whose basic plan was identical, was at least willing to put up \$2,500,000, but Newcomb's people put up only about \$20,000, the minimum required by law for bank directors.

As for the investment projects, Newcomb had Park Lane Villa sold during the convention for \$1,250,000. Coal River Collieries was thrown into bankruptcy by the Investment Co., bringing suit against it for \$1,775,000. Regarding Venice, the judge manifestly wants to stay in there. That is too good

a golden goose to give up. So the suave Judge will try to feed its maw with the workers' money. Grand Chief Johnston has announced that the B. of L. E. is committed to the continued development of its Florida holdings.

Judge Newcomb's plan met with considerable opposition. Various delegates objected to turning the banks over to a body of Cleveland business men to speculate with while the B. of L. E. guaranteed to make good all losses, and keeping the union tied to a lot of financial white elephants. But the opponents and doubters were swept aside. The eloquent Judge's plan, supported by the new officials, was adopted. He was glowingly thanked and made an honorary member of the union.

9. PAYING THE PIPER

To breathe the breath of life again into the wrecked B. of L. E. financial institutions, in accordance with Newcomb's plan, vast sums of money are necessary. The banks and investment companies are loaded with "frozen assets," the realty projects are incumbered with debts. Suits menace from all sides. At present writing the Brotherhood Investment Co. faces four suits from stock-holders. Venice confronts a suit for \$7,500,000. A further suit, against the New England B. of L. E. Securities Co., charges that "the stockholders were led to invest by gross misrepresentation and promises of ridiculously high profits."

The B. of L. E. membership is the good milch cow from which Newcomb and the new union leaders propose to squeeze the many millions required for Newcomb's plan of "saving" the banks, investment companies, Venice, etc. At the convention the biggest stroke to raise money was to slap a \$5.00 monthly assessment upon the entire union membership for two years. The B. of L. E. has 90,000 members, of whom 60,000 are active and they are supposed to pay the assessment. This would give a total of approximately \$7,200,-

000. Never did a union have to face such a huge tax. Already the dues and insurance fees in this union often run as high as \$30 monthly. Or, if the members do not like the assessment, they can voluntarily buy "Loyalty Bonds" at \$100 apiece. So that there may be plenty to go around, \$10,-000,000 of these has been issued.

In addition to this, \$4,000,000 more, needed to meet pressing needs to buy up worthless paper, was raised by placing a new first mortgage on the two office buildings, which makes practically worthless the \$7,500,000 mortgages already held by the insurance and pension departments. Then there was a further bleeding of the already anaemic insurance and pension funds to the extent of several hundred thousand dollars. An additional \$5.00 assessment (\$300,000) to pay part of the \$1,000,000 convention expense was only a detail of this high finance convention.

Then, after all these huge burdens, totalling \$12,000,000, were loaded on the members, there was the statement of Myers, Chairman of the Committee of Ten, that the organization will owe at least \$8,000,000 at the end of two years.

The delegates took with ill grace the piling of these fresh obligations upon their previous losses. Huge losses were reported by hundreds of delegates. One said (p. 57), "The members of (lodge) 565 lost \$55,000. Another said, "\$50,000 wouldn't scratch the surface in my neck of the woods." And another (p. 84), "I represent 250 members and they have over \$100,000 invested." Only the fear of completely losing these investments, which in hundreds, if not thousands of cases, represented the savings of a life time, together with Judge Newcomb's warnings that the members were legally responsible for all the financial obligations of the B. of L. E., led the delegates to assume these additional enormous monetary burdens in Newcomb's futile plan of trying to make the various banks and investment projects stand up.

Del. Quinlan (p. 1974) said:

"Now we are going back and tell our members that we have mortgaged everything here . . . but the wife and children, and if they were any good (financially) by God we would have mortgaged them, too."

10. PUNISHING THE GUILTY

Someone, of course, had to be blamed for the terrific B. of L. E. financial debacle. Warren S. Stone was the center of attack. His reputation as a great labor leader and banker, so widely cultivated in the trade union and capitalist press, was irretrievably shattered. His personal character was excoriated. In the traditions of the B. of L. E. he will be remembered as an arch wrecker of the union. Del. Waite (p. 2038) voiced the general rank and file opinion when he said:

"We all know that Brother Stone died just in time to save his reputation with the outside world. He didn't save it with us."

But Stone is dead, and after his death the officials carried on even wilder speculations than did Stone himself. The guilty ones had to be singled out and punished. The convention therefore blamed W. B. Prenter, Pres.; L. G. Griffing, 1st V. P.; H. P. Daugherty, 2nd V. P.; and C. E. Lindquist, Gen. Sec'y. They, together with the financial "expert," G. T. Webb, were made to carry the whole responsibility. On the other hand, Johnston, Edrington, Bissett, Huff and others, members of the former Advisory Board, were whitewashed by the convention, considered as saviors of the union, and given the leadership of the organization, Johnston getting a salary increase from \$13,000 to \$15,000.

The real truth is that Johnston and his group were just about as deep in the mud as the Prenter crowd were in the mire. They knew what was going on and participated in it. For example, when Stone, in 1925, revealed the \$6,000,000 deficit in the finances, Johnston and his group, after mildly proposing the calling of a convention, allowed Stone to vote it

down and they permitted the situation to go from bad to worse without saying a word of warning to the membership. Had they been so desirous they could have easily forced the calling of a convention. But they condoned the whole business. They too, are responsible. But their group had control of this convention. They are now in charge of the union. Their acceptance of Newcomb's plan shows what prospect lies before the union.

The accused officials, with the exception of Prenter, whose trial was laid over until the next convention, because he was too "ill" to appear, were tried in open convention. Griffing, Daugherty and Lindquist were variously charged with "such carelessness, laxity and indifference" as to unfit them to hold union office; with illegally obligating the B. of L. E.; spending without authorization over \$2,000,000 of B. of L. E. money; guaranteeing without authority the indebtedness of the Brotherhood Investment Co.; permitting extravagance and mismanagement in the bank; lending without sanction the funds of the insurance and pension departments; receiving \$2500 from Baldwin through Webb for selling the Equitable stock; misrepresenting the true state of affairs to the membership. They were found guilty and the following resolution was adopted:

"Resolved that L. G. Griffing, H. P. Daugherty, and C. E. Lindquist be forever barred from holding office in or under the jurisdiction of the Grand International Division (convention) of the B. of L. E."

They were not expelled from the union, although their criminal activities had almost wrecked it. Nor were they directly convicted of dishonesty or graft, although the whole situation reeked with it. Had the union not come to the rescue financially of the wrecked banks and investments, doubtless these officials would have been jailed by the victims of their illegal practices. Newcomb and Johnston protected them from deserved punishment. Johnston even ruled that the sentences,

while barring them from holding office in the Grand International Division, did not prevent them from occupying the fat jobs "in their own Divisions, such as General Chairman, etc."

11. A FEW USEFUL LESSONS

The experiences of the B. of L. E. with its labor banks and investment companies emphasizes dramatically the destructive effects of trade union capitalism upon the labor movement. It kills in the unions the idea of struggle against employers and sets up instead theories and practices based upon the false conception that in order for the workers to make progress they must collaborate with, or more properly stated, subordinate themselves to, the employers. It denies the fundamental conflict of interests between the working class and the capitalist class. It diverts the attention of the unions from their proper functions as organs of direct struggle against the employers and turns their activities into enervating and corrupting business channels. The real tasks of building the unions and defending the workers' interests are forgotten. It builds up a powerful, corrupt and reactionary bureaucracy in the union and its auxiliary financial organizations, which stands like a rock in the way of every step forward of the workers. It wastes the savings of the workers and the funds of the union, while at the same time cultivating among the rank and file demoralizing delusions that the workers, by thrift and the investment of their funds in capitalistic stock, can actually buy control of the industries.

Prenter once said, "Labor banking has demonstrated labor's complete answer to the theories of Marx and Lenin." In view of the utter bankruptcy of the whole system of labor banking, as developed by the B. of L. E., intelligent workers will hardly be inclined to accept this as being much of a repudiation of Marx and Lenin. On the contrary, they will

rather be inclined to look a little more closely and friendly at their theories.

The "labor bankers" throughout the trade union movement are shocked and alarmed at the collapse of the boasted B. of L. E. financial institutions. Even the ultra-reactionary A. F. of L. Executive Council, in its report to the 1927 convention, gives voice to this alarm, saying:

"Experience in this field has now sufficiently cumulated to make a solemn warning imperative. Great care and sound judgment should be exercised before labor unions and members of labor unions put their money into labor bank promotions, or into investment companies. . . . Since the recent developments in the B. of L. E. financial activities, more and more attention is being directed to the manner in which labor banks are financed and conducted. . . . In our judgment the time has come to stop expansion in the field of labor banking until experience with those labor banks already organized shall have been critically studied and evaluated."

This statement does not indicate the remedy. The way out is not for the unions to try the hopeless task of seeing to it that their banks and investment companies are honestly and efficiently run. The evil goes much deeper. Trade union capitalism is wrong in theory and practice. The theory of labor becoming capital is false, and the practice of the unions to build labor banks and investment companies is incorrect.

The unions must cut loose from labor banks and their destructive influences. It is not their function to carry on business institutions. Wherever the workers under capitalism engage in industrial or commercial enterprises they should do it through genuine cooperatives, carrying on legitimate cooperative enterprise, democratically controlled and organized apart from the trade unions. The unions must be developed as fighting organizations. Not the gathering together of the workers' dimes by the labor bankers and the cultivation of illusions that the workers can buy their way out of wage-slavery, but the building up of the workers' organizations, by organizing the unorganized, by amalgama-

tion, by democratization, by adopting a militant policy of struggle, by launching a labor party—that is what the labor movement needs. The B. of L. E. financial debacle dealt a heavy blow at trade union capitalism. If considerable portions of the workers can get even an inkling of the lessons of this important event, the harsh experiences of the B. of L. E. will not have been in vain.

CHAPTER VIII

TAINTED LABOR JOURNALISM

The need of the workers for a system of labor papers loyal to their interests is fundamental. For the workers, surrounded as they are by oceans of capitalistic propaganda and confronted with a maze of baffling problems, the existence of a labor press which honestly analyzes the situation, educates the masses, and leads them in their everyday struggles is a life and death question. Hence, from time immemorial, sincere workers in the labor movement, regardless of their political opinions, have rallied almost instinctively to the building of the labor press as one of the most vital tasks confronting the labor movement.

But the labor fakers have learned how to sell out to the employers even this basic institution and they are doing it wholesale. One of the most destructive phases of the widespread class collaboration corruption in the American labor movement is the prostitution of the labor press. This assumes the most astonishing forms. It saps the vitality and understanding of the entire labor movement.

Capitalistic advertising is a main high road to the debauchery of labor papers. This, piled on the other influences tending to make the labor papers reactionary, is disastrous. The employers and their political agents contribute huge sums to the trade union journals for advertising. Thus they are enabled to dictate the policies of these organs and to reduce their editors to the most abject vassals. By buying up large numbers of labor papers in this manner the employers inject the poison of their propaganda directly into the veins of the

labor movement. The American labor press is tainted with the money of the enemies of the working class. This fact has contributed enormously towards hindering the ideological development of the toiling masses in this country. Under present circumstances many labor papers are virtually compelled to accept a portion of capitalist commercial advertising in order to live. But it is a dangerous source of income at the best and it should be rigorously controlled and limited. The present loose methods are destructive.

1. NATIONAL LABOR PAPERS

The central national organ of the trade union movement is the *American Federationist*, official journal of the American Federation of Labor. This paper, which should set an example of proletarian honesty for the whole labor press, is, on the contrary, deeply afflicted with all the forms of the corruption which destroys the usefulness of many labor papers and turns them into enemies of the working class. Its columns reek with all kinds of capitalistic propaganda and also with advertisements of the worst labor baiting companies in the United States.

To accept capitalist advertising on a large scale is a dangerous practice for labor papers, even if the advertisers are "friends" of the unions. It is only one of the many ways used by the employers to bribe the labor bureaucracy. Insensibly the editors will cater to these employers by diluting the reading matter in their journals. But the situation is even worse when the advertisements come from the bitterest enemies of the labor movement. At its 1894 convention the A. F. of L. laid down the following policy for the acceptance of advertisements by the labor press:

"Unions when issuing souvenirs, journals, directories, or other publications shall not advertise any firm antagonistic to union men or that employs non-union men."

Every issue of the *American Federationist* violates this decision. Of its 20 to 30 pages of capitalistic advertising monthly a large share comes from corporations which rank among the most rabid "open shop" concerns in the country. For example, in the March, 1927 number, which is typical, we find represented such notorious "open shop" companies and products as Standard Oil Company, Prudential Insurance Co., General Electric Co., American Brass Co., Procter and Gamble, Fleischman's Yeast, National City Co., American Smelting & Refining Co., Empire Refineries Co., Sinclair Refining Co., Pittsburgh Plate Glass Co., Philadelphia Electric Co., Utility Securities Co., Wrigley's Chewing Gum, etc., etc. These firms expect nothing from the *American Federationist* as an ordinary advertising medium. What they contribute is so much "hush money," given with the expectation of "softening" union labor's policy towards them. Nor are their investments in vain. The advertisements of the *American Federationist* are handled by a brother of Frank Morrison, who makes thousands of dollars yearly from this source of corruption.

Many journals of the International Unions, with the bad example of the *American Federationist* before them, accept advertisements from the bitterest foes of labor. Thus in *The Textile Worker*, published by the United Textile Workers, are many advertisements of firms that as a settled policy attempt to destroy all semblances of trade unionism in the textile industry, among them the Forstmann & Huffmann Co., Botany Worsted Mills, and United Piece Dye Works, companies against whom the great Passaic strike of 1926-27 was waged. *The Textile Worker* carried their advertisements even in the thick of the strike when the police were clubbing the strikers and using tear bombs against them. Other concerns advertising in *The Textile Worker* are the National Spun Silk Co. of New Bedford, which hired a Boston detective agency to form a company union when the workers

tried to organize in 1920; the Henry Doherty Silk Mills of Paterson, one of the biggest anti-union firms in the silk industry; the Concordia Silk Hosiery Co. of Philadelphia, which employed the Sherman Detective Service to break a strike in 1920, Dunn Worsted Mills of Woonsocket, Hoosac Cotton Mills of North Adams, etc., etc. Whether these companies give their advertisements to the textile union journal to keep away union organizers, or whether they give them in return for past favors of this kind is not material. In any event they are so much bribery and their influence is deadly.

But the advertising evil does not reach its greatest extent in the case of the national labor papers. Most of these, having established incomes from the membership per capita tax, do not have to rely upon the advertising patronage of employers. This does not save them, however, from being reactionary, as such a Bourbon sheet as the *United Mine Workers Journal*, which carries no advertisements, abundantly proves. But it is the local labor papers that suffer most from the advertising poison. Having precarious sources of income, they fall easy victims to the employers. Many of them descend to unbelievable depths of corruption and betrayal of the workers' interests in order to cater to the employers. They are malignant disease spots in the body corporate of the working class.

2. LOCAL LABOR PAPERS

The local labor papers may be privately owned and privately controlled, privately owned and union controlled, or union owned and union controlled. Many of them, especially those controlled by the unions, are relatively honestly operated although reactionary in tone. But the percentage of crooked sheets among local labor papers as a whole is very large. The privately owned and privately controlled papers are the worst. In many cases they are no better than house organs for the employers. Frequently local labor papers start out honest

and then become corrupted. Unprogressive and dry-as-dust, such papers, even if honest, get little support from the union membership. Financial difficulties ensue. The easiest way out is to accept money from capitalist politicians and employers for illegitimate advertising, and many travel it. Then they degenerate rapidly. Their methods of "sandbagging" advertisements out of the class enemies of the workers become flagrant and intolerable. The worst of such papers get repudiated by the labor movement and then become free lances, real birds of prey in the labor movement. In every important industrial centre there is one or more of such degenerate, parasitic labor papers, existing either with or without the official sanction of the trade unions.

Political advertisements of capitalist politicians during election periods constitute a rich source of income for the graft labor sheets. Hence at such times their columns are crowded with large well-paid advertisements of notorious political crooks. One of the worst features of this is that the labor editors are required to back up the regular advertisements with "readers" extolling the virtues of the advertised politicians and luring the workers to vote for them.

Thus such labor papers degrade themselves into tools of the capitalist parties and become powerful instruments for the demoralization and betrayal of the workers. See how the Cincinnati *Labor Advocate*, a typical graft paper, works the game as reported by a local worker:

"The system employed is simple. The politician is approached before an election and told he is down on the list for a contribution of say \$100 or \$1,000. If he doesn't come across he is immediately attacked in the columns of the *Advocate*. If he shakes down easily he may be approached later for more at regular intervals. If he pays liberally he becomes a 'friend' of labor worthy of the workers' support, no matter how reactionary his record and policies. The *Advocate*, like other journals of its kind, was once militant for the workers, but now it is an organ of the employers."

Such practices, continued by large numbers of labor papers,

for years have contributed enormously towards hindering the growth of a labor party in the United States.

But the richest graft of the corrupt labor papers is not the occasional political advertisements but the all-year advertising of mercantile, manufacturing, and other companies. In order to get this the dishonest ones among labor editors abandon the last remnants of loyalty to the workers. Operating this graft has become a regular profession at which many scores work. The approach to the employers is on an anti-red, class collaboration basis. The present drive against the left wing in the trade unions is a gold mine for the labor paper fakers. These grafters fill their papers with violent attacks on everything progressive in the labor movement. They make war against the honest leadership. They even engage openly in strike-breaking activities. Then they go to the employers, and upon the basis of these attacks, which are their stock in trade, they "shake down" the employers for contributions, either for advertisements or as straight donations. Such contributions run to vast sums yearly. All these papers are rabidly Gompersistic. "Old Sam" was their patron saint. They are ultra-patriotic, and blackly reactionary in all things. A few planks from the program of the *Cincinnati Chronicle*, an official A. F. of L. paper, are typical of their general outlook:

"We are opposed to socialism as impractical and bolshevism as un-American and not being in accord with the policy of the American Federation of Labor. We are opposed to the Industrial Workers of the World and their methods.

"We believe in the settlement of labor disputes by peaceable and conciliatory methods.

"We believe in a wage system based on the energy and skill of the workman, insuring the advancement of the competent and stimulating the less skillful to greater efforts.

A necessity for such graft papers is that they approach the employers in the name of the labor movement. If they, being privately owned, lack the endorsement of the trade unions they simply steal it. Their usual method is to become

members of the International Labor News Service, the A. F. of L. news agency, headed by Woll which accepts the affiliation of any crook paper. Then, palming themselves off as representatives of the unions, these fake papers sally forth to "sand-bag" employers for contributions. This frequently brings them into conflict with the labor movement and often results in their denunciation, especially if the local bureaucrats have a graft sheet of their own. When asked recently about a whole string of fake labor papers in New York, Mr. J. M. O'Hanlon, Secretary-Treasurer of the New York State Federation of Labor, replied thus:

"The publications you ask information about, the so-called *New York State Labor Leader*, the *New York State Labor Journal*, *New York State Labor News*, *New York State Labor World*, and *State Federationist* are in no way connected with Organized Labor. We know nothing of them except that occasionally this office is called up by persons who, from the manner of their inquiry, indicate that they have been swindled into payment for advertising announcements in some one of these publications in the belief that they were generally circulated among labor unions. This condition of affairs impelled our former Secretary-Treasurer to insert a statement in our Annual Official Book denouncing these publications as not representing labor unions in any way. These bogus labor journals apparently have no post office entry, have no post office address, and we only hear from them in the manner described above. I doubt if any of them are published in anything like regular periods. When they are printed, it is only to satisfy the eye of those who insist upon seeing the announcement they paid for in print."

(a) *Pittsburgh's Graft Sheets*

Pittsburgh, a stink hole of labor corruption and betrayal of every sort, has its full quota of fake labor papers. A description of them brings out the features typical of such papers in all industrial centers.

The *National Labor Tribune* was established in 1872. In its early years, when Pittsburgh, with its powerful union of steel workers, was the best organized city in America, this

paper was a militant fighter for the workers. It has long since degenerated into a corrupt labor sheet. On its front page it sports an extended list of labor endorsements, beginning with that of Typographical Union No. 7 in 1873 and ending with that of the Iron, Steel, and Tin Workers in 1897. It boasts that it is "The oldest and most conservative labor paper in America." The editor, Vitchestain, formerly a magistrate in Philadelphia, is a brother-in-law of J. H. Jones of the Pittsburgh Buffalo Coal Co. The constant effort of this "labor paper" is to destroy the Miners Union, against which it campaigns constantly. Its columns are crowded with anti-red articles and capitalist advertising. A special feature is a religious page. The *National Labor Tribune* is a sad example of an historic labor paper fallen into the hands of unscrupulous fakers.

The Pittsburgh *Labor World*, edited by Lew McGrew, a "labor" cog in the Republican Party machine, follows the usual policy of grafting upon the employers and poisoning the minds of the workers. It played an active strike-breaking role in the great steel workers' movement of 1918-19. As the organizing work got under way successfully in the Pittsburgh district the *Labor World*, with the assistance of Pittsburgh's labor fakers generally, undertook to break it up. Its campaign was financed by the Cambria Steel Co., whose gigantic plants at Johnstown were being hard-pressed by the organizers. The plan of the *Labor World* was to demoralize the whole movement by discrediting and removing the writer from the leadership of the organizing forces.

Digging up some stuff I had written years before while a member of the I. W. W., the *Labor World* denounced me as a borer from within who was seeking only to get a good grip on the steel workers and then to turn them over to the I. W. W. Special editions of the *Labor World* were published on this theme. The Cambria Steel Co., in addition to its large fee, paid McGrew, the editor, 10 cents per copy to

send the *Labor World* to the entire population of various steel towns, using the city directories as mailing lists. McGrew's master stroke in this campaign was the organization of a trial for me. This was held in his office. Naturally I was not invited. But newspaper representatives and fake steel workers' committees were brought in from as far away as 400 miles. I was solemnly pronounced guilty of treason to the A. F. of L. and the Government. Then an active campaign was initiated in scores of local unions and central labor councils to have me investigated by the A. F. of L. and removed from my position. We were able to defeat these efforts, after some sharp fights with reactionary elements. McGrew's campaign then collapsed. Such tactics on his part were nothing new. During the hard-fought coal strike in the West Moreland district a few years previously his paper, containing bitter attacks on the strike, was distributed in tens of thousands by the coal operators. The *Labor World*, like all such employer-controlled "labor" papers, was an ardent supporter of Gompers.

The *National Labor Journal* was another bright gem in the firmament of Pittsburgh fake labor paperdom. For many years this was the official organ of the Iron City Trades Council. Its editor, D. J. Berry, was a bosom friend of Gompers. He prostituted the columns of his paper to any corrupt politician or employer who might wish to buy them. He specialized in the most violent anti-red propaganda. During the war he collected huge sums of money from employers to fight "disloyalty" among the workers. He was connected with the malodorous \$7,500 Babcock bribe. The employers paid him \$20,000 for an unsuccessful attempt to defeat James Maurer for the Presidency of the Pennsylvania State Federation of Labor. He sold strike insurance, most of which he failed to make good on. He double-crossed employers as well as workers, and finally he was repudiated by both. Because of its hostile attitude to-

wards the 1919 steel strike, the *National Labor Journal* lost the endorsement of the Iron City Trades Council. It died a few years later, unlamented. Although this paper, like the *National Labor Tribune*, carried the word "National" in its title it was in reality, like the latter, a local paper, neither paper reaching out from Pittsburgh more than a hundred miles or so in the conduct of its business.

The Pittsburgh *Labor Free Press* is conducted by Arthur Ireland. It has the endorsement of the Central Labor Union, formerly known as the Iron City Trades Council.* This is a typical graft sheet run by a labor faker of long standing. Ireland, a close pal of the spy, Beattie, is a tool of the Republican politicians and steel interests of Pittsburgh. Originally this paper started as a strike bulletin, but Ireland continued it as a graft sheet. Like the rest of the Pittsburgh fake labor papers, it sabotaged the steel strike.

In 1924 the Pittsburgh Building Trades Council launched the *Industrial Standard*. This paper was given the following greeting from the *Labor Free Press*, Ireland's sheet, in a boxed editorial entitled "Don't Get Stung":

"Complaints reach this office from several organizations and individual members of union labor concerning the activities of one R. McGrath who is touring unions nightly urging upon the membership to purchase stock in what he terms a proposed new corporation—The Industrial Standard Publishing Co. There is no room in this territory for such would-be labor publications. There are too many of this brand now operating around these diggings. We leave this new scheme to the tender mercies of the rank and file of labor and feel confident that they will not be hoodwinked again."

Another Pittsburgh "labor paper" occasionally encountered in the east where its agents solicit advertisements, subscriptions, and donations, is the *Labor Press*. Who is its editor and whether it is still published are mysteries to the writer.

*The change of name of the Pittsburg central body was made because of the unsavory reputation the latter title had secured through the many graft scandals that had centered around it.

This is evidently one of the many fly-by-night "labor" sheets which, operating vaguely in the name of the labor movement and deluding gullible advertisers into believing they have large circulations, in reality have no union support and print only enough copies to furnish one each to their advertisers and a few to their agents for sample purposes.

With all these parasitic fake labor papers sucking its blood, the Pittsburgh labor movement vegetates in impotency. Other local labor movements are similarly infested with journalistic parasites. This condition emphasizes the necessity for a general cleanup of these contemptible sheets throughout the entire country. They are poisonous ulcers on the body of labor and they require drastic surgery.

(b) *Miscellaneous Bogus Labor Papers*

All important centers are afflicted with such fake labor papers, private or official. Chicago, of course, has its share. The many dishonest and reactionary labor leaders in that city would never neglect such a prolific source of graft. How many of such papers there are in Chicago is problematical. It is difficult to check up on them as they lead such an indeterminate existence, springing up and dying out quietly on the borderlines of the labor movement. One is the *Union Labor News*. During a 1924 investigation of election campaign expenses this paper was described by local union officials as follows:

"It is not recognized by the Chicago Federation of Labor nor by the Illinois Federation of Labor, nor by the A. F. of L. It has no standing in the labor movement of Illinois and no standing in the labor movement of Chicago. He is simply running a paper to get what he can out of it independently of the labor movement."

Similar are the *Illinois Labor News* and other vague "labor" papers. The *Federation News*, official organ of the Chicago Federation of Labor, is a paper now on the toboggan

into corruption. The organ of the C. F. of L. in the days when that body was progressive, was the *New Majority*. This paper took no advertisements whatever, political or economic. But with the drift of the Federation leadership to the right during the past four years both the *New Majority* and its no-advertisements policy have been scrapped. Its successor, *The Federation News*, accepts political advertisements from the Republican and Democratic parties and endorses their capitalistic candidates. It also carries attacks against every sign of progressivism in the labor movement. It is hardly to be distinguished from the typical fake labor papers of other cities.

The degeneration of *Chicago Labor News* later known as the *Union Labor News*, illustrates the destructive forces at work upon trade union journalism. In 1914 a group of left wing trade unionists, of which the writer was a member, brought Max Dezettel to Chicago to build a progressive labor paper for the trade union masses, the local labor movement having no real labor journal. Dezettel had an established reputation as a revolutionist, being formerly a member of the Socialist Party, the I. W. W., and the Syndicalist League. Our policy was to work in a sort of united front movement with the Fitzpatrick progressive group against the building trades reactionaries. But the struggle of the paper was hard. Financing the proposition became difficult. Then Dezettel turned his face towards the fleshpots, which at once broke us from him. First he adopted a friendly tone to the building trades fakers. This soon brought subscriptions in a body from their local unions, with suitable rebates for the Business Agents. Next came corrupt political advertisements, and finally, a wholesale grafting upon employers and poisoning of the workers' minds, on the usual lines of anti-red campaigns and ultra-patriotic slather. Dezettel was a great success at it. He claimed to have made \$50,000 profit during the year before he died. After his death the paper, a hopeless

anti-labor rag, fell into the hands of the building trades "burglars."

New York has its due quota of crooked labor papers. A type is the *American Labor World*. Most local labor papers are weeklies, but this one is published monthly. It advertises itself as "The only conservative paper published in Greater New York recognized by the A. F. of L." Its columns are crowded with capitalist advertisements and anti-progressive attacks. A recent issue played up James B. Duke, the tobacco king, as "a master mind" because, by virtue of a huge cash payment, he had induced Trinity College, N. C., to change its name to Duke University. Governor A. V. Donahey of Ohio also received fulsome praise in the same issue, not for anything he had ever done for the workers, but because he was so popular that in the 1924 election campaign he was endorsed by both the Catholics and the Ku Klux Klan. The paper is an ardent supporter of the British labor traitor, Havelock Wilson. On its board of Directors (Feb., 1925) were James P. Holland, John Sullivan, T. J. Curtis, S. G. Kelley, E. W. Edwards, and D. J. Ahearn, all prominent New York labor reactionaries. The policy of this paper is outlined in the following statement, entitled, "The American's Creed":

"I believe in the United States of America as a government of the people, by the people, and for the people, whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign nation of many sovereign states; established upon the principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes. I therefore believe it is my duty to my country to love it, to support its constitution, to obey its laws, to respect its flag, and to defend it against all enemies."

The ultra-patriotic Brindell had a plan to "enrich" New York labor journalism with a paper to be entitled *Uncle Sam* and to which all members of the building trades were to pay \$2.00 per year. No doubt the employers also would have

contributed many thousands. But because his labor career was interrupted by the necessity of sojourning a few years in Sing Sing penitentiary, Brindell had to abandon this promising venture into corrupt labor journalism.

The two principal fake labor papers in Philadelphia are the *Trade Union News* and the *Progressive Labor World*. The *Trade Union News* was founded by the Central Labor Union in the days when Frank Feeney was boss. This big 20-page paper is packed with capitalist advertisements, a single issue containing as many as 400, including such labor crushing concerns as the Baldwin Locomotive Works, Commonwealth Title and Trust Co., and York Manufacturing Co. Its profits are estimated at from \$30,000 to \$50,000 yearly. It is owned by H. W. Sample, head of the local Newswriters Union. In the 1924 elections it supported Coolidge and Dawes. Although no longer recognized by the Central Labor Union, it gets around this difficulty and maintains its "front" as a labor paper by announcing that it was "organized pursuant to the action of the Central Labor Union of Philadelphia and Vicinity."

The Philadelphia *Progressive Labor World* is owned by the notorious Frank Feeney, head of the Elevator Constructors Union. This 12-page sheet is blatantly Republican. It averages 125 advertisements per issue, one of them each week being a full page from Wanamaker's. Others appear from the Baldwin Co., Newton Coal Co., and a whole mass of similar militant enemies of labor, including many banks. In his editorial policy Feeney "follows up" his advertisements. Recently he stated that "Philadelphia has a warm spot in its heart for Mr. Vauclain, head of the Baldwin Co.," and he compared him with Lincoln. Even Atterbury of the Pennsylvania, arch enemy of railroad workers, is frequently "puffed" in Feeney's paper. During the 1919 "red raids" Feeney congratulated A. Mitchell Palmer on his "good work." His columns are full of the thrift and prosperity,

go-getter, saving and success type of bunk, together with interviews with Presidents of Dime Savings Banks and "Rules for Success" set down by prominent members of the Union League Club and the Republican Party. Mr. Feeney preaches to his readers, "Once the saving habit is formed it makes you a conservative union man." In 1924 Mr. Feeney, who is a leading member of the A. F. of L. national machine, put on a campaign to scare in a few thousands from employers, incidentally misusing the name of the C. L. U. to further his graft. This brought the following public letter from the C. L. U.:

"The attention of the Central Labor Union of Philadelphia at their last meeting, March 9th, was called to the fact that the various so-called labor papers are soliciting advertisements through their agents, by stating to the advertising public that they were the official organ of the Central Labor Union of Philadelphia.

"This is an absolute misstatement and misrepresentation of the grossest kind.

"I was instructed to notify the advertising public through the daily newspapers and the members of Organized Labor through their locals, that no newspaper, magazine publication or other agency is authorized to use the name of the Central Labor Union of Philadelphia in any manner when soliciting advertisements or financial assistance of any kind."

During the 1922 strike of the railroad shopmen the Philadelphia *National Industrial Review*, owned by one Harry McGill, and published "in the interest of loyal, independent Americanism," attacked the strike and was mysteriously distributed broadcast. After an investigation, the Business Agent of the Machinists' Union thus reported:

"The general belief here is that this sheet is subsidized by the Chamber of Commerce. I am enclosing copies of the mastheads of the *National Industrial Review* as well as of the *Progressive Labor World*, the so-called labor paper published in this city by Frank Feeney. You will note that the publication office of both papers is 1208 Chestnut St., this city. People sent there to purchase copies of the *Progressive Labor World* were also provided with copies of the *National Industrial*

Review. The indications are that Feeney is connected with the latter paper."

Examples might be cited indefinitely of betrayal and corruption on the part of the officially and privately owned local papers. The labor movement everywhere is infested with bogus sheets. In Cincinnati there are the *Chronicle*, *Labor Advocate* and *Trades Union Journal*. In Cleveland a noisome specimen is the *Cleveland Federationist*, the founder of which, Michael Goldsmith, was a follower of Mark Hanna, and frankly admitted accepting money from him. Recently this paper, which praises company unions, eulogized ex-Secretary of State Hughes as "Clean and conscientious. Honest to the core." In Boston there is *The Wage Earner* which announces itself as the "Official Labor Paper of New England." Its policy is, "An adequate protective tariff is the bulwark of American prosperity." Its motto is, "The American Worker is Conservative." In New Haven there is the *Connecticut Labor News*, published by I. M. Orburn, Secretary of the Connecticut State Federation of Labor, who in the 1924 election was Labor Campaign manager of the Democratic National Committee. In Brockton there is the *Democrat*, a graft sheet subsidized by the Boot and Shoe Workers Union; in Denver, the *Labor Bulletin*; in Indianapolis, *The Union*; Augusta, Ga., the *Labor Review*; in Seattle, the one-time militant *Union Record*, etc., etc.

The local press of the trade union movement is corrupted to the core. The A. F. of L. has never made an effort to eradicate this labor press corruption which poisons the very life sources of the movement. In the two fat volumes of Gompers' *Seventy Years of Life and Labor* there is not even a mention of the problem, nothing but a slobbering over the "sacred role" of the labor press. The corruption of the labor press is one of the blackest pages of the dark history of the Gompers regime.

3. YEAR BOOKS, DIRECTORIES, SOUVENIRS

The innumerable "Year Books," "Union Directories," and "Souvenir Books" issued by labor bodies in various places are prolific sources of corruption. Such publications, issued ostensibly because of Labor Day, the holding of a convention, the need of a list of the local unions in a given city, or merely as an annual custom, are always the signal for an intensive campaign of begging from employers which is demoralizing to the labor movement. These campaigns usually yield many thousands of dollars, with huge profits for the promoters of the enterprise. Such advertisement books are published by State Federations, City Centrals, Building and Metal Trades Councils, and Local Unions. Labor papers make a specialty of them in the shape of special editions.

The system is for the body publishing the "Souvenir" or "Year Book" to farm out the advertising privileges to professional advertising men, or "plingers" as they are called, for a specified sum. These grafters then keep all they can get above that minimum. They use methods in "blackjacking" merchants and business men generally which are demoralizing. Consequently this type of graft has been officially censured many times. Even the A. F. of L., which is careful not to interfere with the grafters within its ranks, has been compelled to notice this shameful graft. The A. F. of L. *History, Encyclopedia, Reference Book*, pp. 359 and 193, referring to the action of the 1901 convention on this matter says:

"Perhaps there has been no more prolific source of dishonesty perpetrated in the name of organized labor than that involved in the publication of souvenir books. Unscrupulous projectors have victimized merchants and other friends of the movement in a most shameful manner. . . . The good name of the movement is thereby impaired, the interests of our fellow workers injured, and fair-minded business men imposed upon and deceived."

The 1905 convention followed up this action by declaring "that the practice of publishing souvenir books by central and

state bodies should be discontinued." But this decision remained a dead letter. The practice still goes on. It is worse now than ever before in the history of the labor movement. The harm of it is not that it "deceives and imposes upon fair-minded business men" but that it demoralizes the workers with the poisonous class collaboration propaganda which always accompanies it.

Often the profits from these advertising books are immense. For example, the book of the Chicago Building Trades Council used to bring in from \$30,000 to \$50,000, of which two-thirds was clear velvet. The present "Union Directory" of the Chicago Federation of Labor totals about \$20,000 yearly in advertisements. Often the organizations sponsoring the souvenir books get only a few hundred dollars for the use of their names, while the promoters rake in thousands. Many scandals develop around these books. Thus there was so much graft in connection with the souvenir book issued by the Central Labor Council of Atlantic City for the 1918 A. F. of L. convention that the A. F. of L. was compelled to threaten to hold its convention in some other city if the project were not abandoned.

When various unions in a given locality get out year books simultaneously and this often happens, then keen competition develops to "get to" the employers first for donations. The promoters attack each other bitterly as grafters. The following quotations from the *Labor Free Press*, Pittsburgh, Nov. 24, 1924, give an idea of this type of labor graft:

"Over one year ago the *Labor Free Press* exposed a band of fakers who were operating then in Pennsylvania . . . under the cover of the Allied Press Association, a name used as a bait. . . . We anticipated that it would end that sort of work in this section of the country, when much to our surprise, we find these gold brick men recently entered Allegheny County and commenced their operations in Tarentum. They secured the sanction of a local union there and armed with credentials were permitted to work havoc among the business men for a general cleanup."

"We charge that the actual cost of printing a poster scheme would not exceed \$100, with not less than \$2,500 in volume taken in by these slick guys who are experts at the business."

It was a great grief to the *Labor Free Press* to see so much good money go to outside grafters, interlopers, when there were so many hungry fakers in Pittsburgh. Such situations are repeated scores of times yearly all over the country.

In these souvenirs everything "goes" in the way of advertising. Thus in a recent book of the Georgia State Federation of Labor was to be found a big advertisement of the Ku Klux Klan. Their pages are crammed with the announcements of the bitterest foes of the workers. The reading matter in them is on a par with the advertising. It consists of the rankest kind of class collaboration drivel. Undoubtedly these year books and souvenirs represent the lowest kind of journalism to be found in any labor movement in the world.

It was one of these souvenirs that led to the exposure and downfall of the notorious Pittsburgh labor spy, Beattie. He had published a large volume on expensive paper, with gold lettering. It was crowded with capitalist advertisements and filled with pictures of local labor fakers, who poured forth their vaporings about class collaboration. Beattie probably made \$15,000 out of the enterprise. But it was his picture in one of these books, lying on the desk of an official of the State Federation of Labor, that caused an ex-spy of the Railroad Audit and Inspection Co. to identify Beattie and to denounce him to the Federation.

A typical year book scandal was uncovered at the recent (Sept., 1927) convention of the New Jersey State Federation of Labor. The former secretary, H. J. Hilfers, an old time crony of Gompers, when pressed to account for a missing \$3,000, explained to the convention that only 50% of the expenses of the State Federation are contributed by the affli-

ated local unions, the rest, amounting to \$100,000 in the given period, being given by big employers through the medium of advertisements and donations to the Federation's year book. Contributors were such rabidly anti-union concerns as the United States Metal Refining Co., Durant Motor Co., Victor Talking Machine Co., U. S. Trust Co., Duponts, Colgates, Pittsburgh Plate Glass Co., United Lead Co., etc., etc. To secure these contributions Hilfers and his crowd maneuvered aggressively against every attempt to organize the unorganized masses in New Jersey industries, a case in point being their flagrant betrayal of the Passaic, 1926, strike. Upon the threat of Hilfers, employers' tool, to make further disclosures, the charges against him were hushed up.

4. THE SOCIALIST PRESS

With the drift of the Socialist Party to the right, which has been dealt with in a preceding chapter, the Socialist press, both Party and trade union, has greatly degenerated. The pro-war group of Socialists who quit the Party, including John Spargo, Chester M. Wright, Wm. English Walling, *et al*, have sunk into contemptible apologists for every reactionary practice of the dominant A. F. of L. officialdom. The Socialist press as a whole is but little better. Such papers as the *Milwaukee Leader* are only a few shades more radical than Hearst's sheets. The Party press has abandoned its whole program of opposition to the A. F. of L. machine. It now fights against amalgamation; it accepts the "new wage policy" of the A. F. of L. and the entire scheme of worker-employer cooperation; it is enthusiastic for trade union capitalism; it follows the lead generally of the A. F. of L. reactionaries in the everyday life of the movement. Except for a mild advocacy of the labor party and nationalization of the basic industries, together with a clinging to a certain radical phraseology and a soft-peddalling on patriotism, the

Socialist press in many instances is hardly to be distinguished from that of the ultra-reactionaries. It is saturated with corruption.

It is the policy of the A. F. of L. bureaucracy, from Green downwards, to draw into its service wherever possible the slick Socialist politicians and writers. The latter are all too willing to serve as such lackeys to the reaction. A case in point is that of Oscar Ameringer. For many years he was a leading Socialist journalist, expressing violent criticism of craft unionism and all its works. But he has made his peace with the reaction. He became editor of the *Illinois Miner*, house organ of the notorious Frank Farrington. Many and bitter were the struggles of the Illinois miners to wrest their union from this autocrat, who has since admitted being on the payroll of the employers. And one of the greatest of their obstacles was the *Illinois Miner*, which, edited by a "socialist" and defending Farrington's corruption, was sent into the homes of all the miners in the state.

Another of the typical cases of the degeneration of Socialists in labor journalism is that of Thomas Van Lear and *The Daily Star* of Minneapolis. Van Lear is one of the many radicals who have collapsed under the bright sun of American "prosperity." Van Lear started out as a worker, a member of the Socialist Party. In 1916 he was elected Mayor of Minneapolis, in an underground alliance with Democratic politicians and gamblers. With a taste at the fleshpots his enthusiasm for Socialism began to wane. A few years later he was a prime mover in launching *The Daily Star*. Assembling the initial vast sums for the paper provided a rich graft for Van Lear and his "boys." Van Lear from the start got a strangle-hold on the paper. It at once began to cater to local capitalistic interests and to get criss-cross with the policy of the labor movement. Van Lear dropped all pretenses of Socialism. Finally he began to openly sabotage the Farmer-Labor Party. The paper

became a stumbling block in the way of everything progressive. In the last election it supported a Republican, T. Christianson, for Governor, against Magnus Johnson, the candidate of the Farmer-Labor Party. *The Daily Star*, which cost the workers and farmers of Minnesota several hundred thousand dollars, is now in the control of typical capitalistic interests, with Van Lear at their head. Van Lear has become wealthy through his betrayal of the workers and farmers who backed him and his paper.

The New York Jewish *Daily Forward* represents socialist labor journalism at its worst. Founded in 1897, this paper, edited by A. Cahan, has for 30 years exerted a baneful influence upon the ideology and organizations of the Jewish workers. From the beginning its Socialism was of the yellowest and its loyalty to party discipline of the weakest. It supported the Spanish-American and World Wars in spite of Party decisions to the contrary. It often endorses old party candidates. Its relations with employers are illicit and corruptive. Since its birth it has been an inveterate enemy of the left wing and of all militancy among the workers. It is the center of all that is reactionary in the Jewish labor movement.

The *Forward* is the backbone of the decadent Socialist Party in New York. It is dictator of the reactionary union bureaucracy centering in and around the United Hebrew Trades. It bosses the national administrations of the needle unions. It is based upon support from Jewish business interests. Its influence has always been exerted on the side of the conservative wing of the unions. It supported the old United Garment Workers' fakers, and it long boycotted the Amalgamated Clothing Workers. For 10 years the name of Hillman and Schlossberg were taboo in its columns. Only when these surrendered to Cahan did the A. C. W. become a bona-fide labor union to the *Daily Forward*. In the present great struggle in the needle trades this paper supports

Sigman, Schachtman, and the other reactionary bureaucrats with all its gigantic resources and with the most unscrupulous means. The rise of the left wing Jewish daily *Freiheit* makes this needle trades fight a life and death affair for the *Forward*.

The *Forward*, with its 135,000 circulation and vast income from advertisements, is a big capitalistic institution. Its profits are enormous, a large share of which go to pay official salaries. Abe Cahan receives \$17,500 and expenses yearly; Vladeck \$15,000 per year. Advertising managers like Schlesinger "earn" as much as \$20,000 per year. On May 9th, 1926, the *Freiheit* published the following analysis of the Forward Association stockholders: writers, agents, etc., employed by the *Forward*, 37%; manufacturers and business men generally, 31%; lawyers, insurance brokers and professionals, 20%; labor leaders, 9%; workers, 3%.

Repeatedly, in catering to the employers, the *Daily Forward* has been guilty of strike-breaking activities. In 1913, when in the general strike in the New York men's clothing trade the U. G. W. fakers, assisted by the *Forward*, betrayed the strike, masses of workers violently demonstrated against the paper, smashing the windows in the Forward building. In 1916 the *Forward* supported Schlessinger in trying to put across a fake agreement in the cloakmakers' strike. Result: a violent demonstration against the Forward building, the rejection of the agreement, the continuation of the strike, and the eventual securing of much better terms.

In the great strikes of the New York Furriers and Cloakmakers in 1926, with the very life of the unions at stake, the *Forward*, under the guise of a war against the left wing, openly used its power and influence to drive the workers back to the shops. The *Forward* is a powerful weapon in the hands of the employers against the demands of the needle workers for improved conditions and a real union.

CHAPTER IX

AUTOCRATIC CONTROL OF THE UNIONS

1. BOURGEOIS LABOR LEADERS

There is a strong tendency, universal in capitalist countries, for the trade union leadership to develop certain group interests of its own antagonistic to those of the workers. The leaders tend sharply, by their manner of living and by their general outlook, to become to all intents and purposes a section of the lower middle class. Michels, in his book, *Political Parties*, dealing with the pre-war type of Social Democratic leader, develops this theme extensively.

Nowhere is this tendency stronger than in the United States. Here the trade union leaders, with their enormous salaries and prolific sources of graft and business incomes, are often not only petty bourgeois but real capitalists. Lenin calls conservative trade union leaders "agents of the bourgeoisie in the ranks of the workers." This statement is doubly true of American labor leaders. They are not only agents of the bourgeoisie, but often actually sections of it. It is not too much to say that the trade union movement of this country is largely controlled by business men, class enemies of the workers.

The labor official of today, with his private fortune, fancy automobiles, aristocratic apartments, and extensive business interests, is a very different type from the men who laid the basis of our trade union movement. Debs thus describes the pioneer trade unionist:*

**Debs: His Life, Writings, and Speeches*, p. 125.

"The labor agitator of the early day held no office, had no title, drew no salary, saw no footlights, heard no applause, never saw his name in print, and fills an unknown grave. The labor movement is his monument, and though his name is not inscribed upon it, his soul is in it, and with it marches on forever."

Mother Jones, battler of the workers, makes this comparison:*

"Many of our modern leaders of labor have wandered far from the thorny path of these early crusaders. Never in the early days of the labor struggle would you find leaders dining and wining with the aristocracy; nor did their wives strut about like diamond-bedecked peacocks; nor were they attended by humiliated, cringing servants. The wives of those early leaders took in washing to make ends meet. Their children picked and sold berries. The women shared the heroism, the privation of their husbands. In those days labor's representatives did not sit on velvet chairs in conference with labor's oppressors; they did not dine in fashionable hotels with the representatives of the top capitalists, such as the Civic Federation. They did not ride in Pullmans nor make trips to Europe.

"The rank and file have let their servants become their masters and dictators. The workers have now to fight not alone their exploiters but likewise their own leaders, who often betray them, sell them out, who put their own advancement ahead of that of the working masses."

In 1887 Parsons, Spies, Engel, Fischer, and Ling, breathing the spirit of the pioneer American labor movement, went bravely to the gallows. They were of the type described above so eloquently by Debs. Their fighting spirit and self-sacrificing devotion live still in the left wing. But the official labor leaders now know it no more, except to hate it and to crush it. The modern trade union leaders are pampered servants of capitalism, well-paid betrayers of the working class. Their aims and ideals have been divorced from those of the rank and file; their prime purpose is to advance their own interests regardless of those of the workers. That is why, as Wm. E. Trautmann once said, "They have made America the land of lost strikes."

**The Life of Mother Jones*, p. 40.

This conservative trade union leadership, seeking first of all to protect its fat sinecures, has distinct group, if not class, interests in conflict with those of the workers. The rank and file want the amalgamation of their unions because it would strengthen them for struggle against the employers; the officials oppose it because it would, by upsetting the present balances of power and by possibly cutting the number of jobs, knock some of them out of their well-paid positions. Likewise these misleaders of labor oppose the formation of a labor party because it would compel the severance of their present illicit alliances with the capitalist parties and force them into the hard task of building up a mass party of labor. They reject a policy of militant struggle against the employers because all their group interests lead them to develop friendly relations and collaboration with the exploiters of the workers. Between the interests of the mass of American organized labor and those of their leaders a vast chasm yawns.

Naturally the well-paid trade union leaders exert every effort to retain their positions, against the strivings of other hungry office seekers and in the face of rank and file revolts. Michels, in his *Political Parties*, explains in great detail the many devices used by Social Democratic bureaucrats to maintain themselves in office during the days before the World War; such as, making themselves technically apparently indispensable, transforming temporary positions into permanent ones, playing themselves up in the organization press and playing down their opponents, exploiting the loyalty of the masses for men who have long served as their officials, making concessions to rival leaders and broadening the bureaucratic base to accommodate them, manipulating the finances in various petty ways, developing a rigid centralism, overstepping the mandates of the rank and file, and generally playing upon the weaknesses inherent in every democratic mass organization of workers.

But American trade union leaders use not only most of

the tricks that Michels touches upon but many more of which he never dreamed. To hang on to their jobs they appeal to the gun and knife, they make open alliances with the employers and the state against the workers, and they ruthlessly suppress democracy in the organizations. Many of their methods are more akin to those of Fascism than to legitimate labor unionism. And more and more such methods are also being applied in other countries.

With the developing of the new American reformism, that is, the orientation of the labor bureaucrats towards intensified class collaboration, their methods of hanging on to control of the union become more drastic and desperate. As the leaders drift to the right and enter more and more into "cooperation" with the employers inevitably they more flagrantly sacrifice and betray the interests of the rank and file. Consequently widespread discontent develops in the many unions, especially in those containing masses of semi-skilled and unskilled. The membership begins to listen to the voice of the left wing. Therefore, the bureaucrats, in order to avoid disaster to themselves through rank and file revolts, must crush by force the left wing, which leads these revolts and which they cannot defeat in free debate before the workers. To fight back the growing discontent no means are too drastic for them to use; none are impermissible, even to actually destroying the unions. The bureaucrats sharpen up and use with added vigor all the traditional means of autocratic control, and they invent new ones. The present bitter war against the left wing in the unions, led by the Workers (Communist) Party, and the T. U. E. L., which is such a pronounced feature of today's labor situation, is the inevitable reflex of the class collaboration policies of the reactionary leadership.*

*Read *The Threat to the Labor Movement*, by W. F. Dunne.

2. THE APPEAL TO CRAFT SELFISHNESS

Undoubtedly to some extent the leadership of typical labor fakers rests upon the consent of their membership. But this is only the case among certain sections of skilled workers and workers occupying key positions in industry. Of such workers Lenin says: (*Imperialism*, p. 7.)

"This upper strata of workers or workers' aristocracy, which are wholly petty bourgeois with regard to their manner of living and the size of their earnings, as well as with regard to their entire world viewpoint, constitute the main prop of the 2nd International and at present the peace-time SOCIAL PROP FOR THE BOURGEOISIE. For the truest AGENTS OF THE BOURGEOISIE IN THE LABOR MOVEMENT are the labor lieutenants of the capitalist class, who are the true apostles of reformism and chauvinism."

The aristocracy of labor is more corrupted, reactionary, and narrowly selfish here than in any other country. It provides a fertile field for the growth of labor fakerism of all kinds. The traditional method of the labor fakers is to further the interests of the skilled and key trades at the expense of the other workers. They make a kind of united front of such skilled tradesmen and the employers against the unskilled and semi-skilled. Thus the skilled workers secure concessions, for which their reactionary leaders take and are given credit. The ultra-reactionaries operate in this manner in the railroad industry, printing industry, building trades, etc. The categories of lesser skilled pay the freight. But during great upheavals, like the shopmen's strike of 1922, and in sharp internal situations, even these skilled workers, moved by an awakening spirit of class consciousness, tend to break with their reactionary leaders and to follow those of a more progressive and revolutionary tone.

In no country have labor leaders appealed to the craft egoism of skilled workers so much as in the United States. The betraying of one group of workers by another has long since been reduced to a settled policy. One product of this

general program of advancing the interests of one section of workers at the expense of another is the jurisdictional war. Nowhere in the world have these fights been so bitter as here. They have cost scores of lives and many strikes.

The prolonged jurisdictional struggles between the Switchmen and Trainmen, Carpenters and Sheet Metal Workers, and Plumbers and Steamfitters, to mention only a few of scores, are classical attempts of some trades to fatten themselves at the expense of others. Through these fights many a faker has strengthened his grip among the workers of his trade by seeming to defend their interests. The more reactionary the trades involved the more bitter the jurisdictional wars. Betrayal of union by union, of unskilled by skilled, often furnish a temporary base for the labor fakers, but it is deadly to the labor movement as a whole.

In some industries the workers are so strategically situated that reactionary labor leaders, in spite of wholesale graft and the betrayal of sister unions, are able to point to great improvements in the wages and working conditions of the workers within their jurisdiction. The building trades are a marked example. Indeed, because of large increases in wages and a general raising of standards of these workers under the regime of such men as "Skinny" Madden, Sam Parks, etc., due primarily to the big building boom, there was a strong tendency among the rank and file to look away leniently from their grafting and to retain them in office because of the concessions which the unions had won. It was a common saying of workers during Parks' term, in which the wages of the iron workers were more than doubled, "Well, it is true, Parks helps himself to the union funds and accepts bribes from the employers. But that's nothing. Look how he has raised our wages." The same was said about Madden and many more of his kind. Thus, at the time of the overthrow of Brindell, J. Charles Laue wrote in the *New York Call*:

"All the workers had to do was to pay Brindell 50 cents per month and he would take care of the rest. He met the employers and with 115,000 men at his back he gave them a demonstration of working class solidarity in May that forced a grant of \$30,000,000 in increased wages over that which had been agreed upon on the first of the year."

A typical case in point is that of the Chicago Flat Janitors Union, previously referred to. Chicago experience demonstrates that this category of workers are strategically situated to improve their own conditions. Under a dozen years of Quesse's leadership they increased their wages 250% to 600%, with corresponding betterments in working conditions. And instead of systematically betraying closely related sister unions in the usual way, Quesse's policy was often one of active solidarity with them. Thus, if the Milk Wagon Drivers Union or the Bakery Drivers Union were on strike, Quesse's janitors would make it next to impossible for scab drivers to deliver milk or bakery products at thousands of apartment houses. And vice versa, when Quesse called a strike against an apartment building, the powerful Milk Wagon Drivers and Bakery Drivers Unions, although officered by men every whit as reactionary as Quesse, practically isolated it so far as receiving food supplies was concerned. Much of the Flat Janitors Union's power came from Quesse's close alliance with the powerful building trades clique. Undoubtedly, because of the success he had had in improving their conditions, Quesse gained a large following among the rank and file flat janitors. Nevertheless, a powerful cog in the local Gompers machine and violently opposed to everything even mildly progressive, he was one of the extreme reactionaries of the Chicago labor movement. What the workers do not understand in such cases is that their gains are temporary in character and that they are made at the cost of sacrificing larger ends, such as the building of a powerful trade union movement, the establishment of a labor party, etc.

Even in such unions, where the leaders can make something of a showing to their rank and file in the way of practical results, achieved, however, basically by the betrayal of other sections of the working class, they make use on a wide scale, of the various sorts of trickery, violence, and generally unscrupulous practices hereafter described whenever they find them necessary to maintain control. But it is in the broad labor movement, where the reactionary leaders have no such records of real or imaginary achievements to sustain them among the rank and file and where the masses of workers are in more or less open opposition to their policies, that these reprehensible methods of control find their widest application by the bureaucrats.

3. HELP FROM THE EMPLOYERS

When confronted with rank and file upheavals, threatening to drive them from office and to throw the unions militantly into the struggle, the reactionary labor leaders never fail to turn to the employers for assistance. Nor do they appeal in vain. Such help is vouchsafed them in a variety of ways. This has been instanced in hundreds of cases of opposition movements among the unions, especially those of the lesser skilled workers.

Never is this employer assistance to the reactionary union officials more manifest than when the discontent of the workers takes the shape of an "outlaw" strike. Then the conservative union heads and the employers make an open alliance to crush the strike at all costs. Strikebreakers, the blacklist, and other forms of economic terrorism are the weapons used. The great "outlaw" Switchmen's strike of 1920 was a classical case. The strike was caused by lagging wages in the face of a mounting cost of living. The officials took no steps to protect the workers' interests. The storm broke in Chicago on April 2nd, the immediate cause being the demotion of John

Grunau. It spread like wildfire. Soon 75,000 men of all the Brotherhoods were out. Many great railroad systems were completely paralyzed. The Brotherhood officials immediately joined forces with the companies to break the strike. They were too successful. The historic movement was crushed. Then the companies and the union heads instituted a joint campaign of expulsions and blacklisting. Lee of the Trainmen revoked 50 charters and expelled 30,000 members. The companies backed this up by barring from the service thousands of militants. With the help of the railroad companies the Grand Chiefs of the Brotherhoods weathered the storm and regained control of the unions.

The employers also saved Farrington's goose in the 1919 "wild" strike among the Illinois miners. The cause of the strike was the failure of the officials to secure wage increases to offset the advancing living costs. The actual strike was precipitated because several thousand workers who had taken part in the four-day national strike to free Tom Mooney were fined by the companies for so doing. Resentment at this, and the development of the movement into a demand for more wages, soon brought out about 70,000 of the district's 90,000 miners. Farrington combined at once with the employers and civil authorities to break the strike. Scabs were used and terrorism employed on a large scale. The strike, which began on July 4th, collapsed at the end of August, with a defeat for the workers. Farrington revoked the charters of 24 local unions. Sylvia Kopald* thus sums up the methods used to break the strike:

"(1) The employment of 'loyal' miners, by order of the district organization for the express purpose of putting the striking miners back to work; (2) the appointment of Special Deputy Sheriffs from among the 'loyal' miners, whose duty it should be to maintain order in insurgent districts; (3) the use of physical force and other terroristic methods against the strikers; (4) damning the insurgents by persistently fastening on them bad, or at least, unpopular names and con-

**Rebellion in Labor Unions*, p. 100.

nections; (5) making an insurgent local's continuance on strike after a certain time limit punishable by loss of its charter; (6) utilizing the threat of discharge from the mines to force the strikers' return."

The history of the American labor movement is black with many such incidents. Still sharp in the memory of progressive electrical workers, for example, are the organized campaigns of scabbery, carried out jointly by the employers and the heads of the I. B. E. W., against the Reid "secessionists" 17 years ago. There was also the shameful corruption of the heads of the Butte Miners Union by the Anaconda Copper Co., which led to the spectacular destruction of this organization in 1914.

The Butte local union officials were plain tools of the company. No wage increases had taken place for a generation. Discontent was rife against the union bureaucrats, and the company spared no pains to maintain them in control. One method was as follows: the union, which had a membership of 7,000, owned a hall that seated only 400. When important business was to come before the union the company officials, tipped off by the union heads, would release a large number of their "reliable" men an hour or two before the regular time. These would fill up the small hall so that when the body of miners arrived they were unable to gain admittance to the meeting. This happened so often that the hall became the very symbol of company domination. Hence it was no accident that when the big revolt came one of the first things the enraged miners did was to destroy their own \$50,000 hall with dynamite. The loss of the Butte Union struck such a blow at the whole organization of metal miners that it has not yet recovered.

As this is being written the worst cases in American labor history of union control by reactionaries in cooperation with the employers are being enacted in the needle trades. The "socialist" leaders of the unions in this industry have a firm alliance with the garment bosses to break down the surging

revolt of the rank and file. For the past several years these leaders, deeply discredited with the workers for their failure to fight the employers, have followed a policy of having militant workers blacklisted out of the union and the industry, with the help of the employers. This policy came to a climax in the great 1926 New York cloakmakers' strike. During this struggle the Sigman crowd worked directly to force the workers to accept the employers' terms. They went hand in hand with the garment bosses. They sabotaged the strike in every possible way. Finally negotiating a fake agreement over the heads of the strikers, they called it off altogether and forced the workers back to the shops.

Since then, in their mad attempt to get rid of the left wing and to choke the wide discontent in their union by a wholesale program of expulsion they have had the most open and active support of the employers. The latter repudiated their agreement with the left wing Joint Board and gave Sigman's new Joint Board recognition, they helped him register the workers in his union, they are pressing them to pay him dues, etc. Now the same policy is also being put into effect in the Furriers Union. Both unions are threatened with destruction. Both have been deeply split.

Throughout all the needle unions the lineup is the same: the "socialist" union leaders and the employers, aided by the Courts and the police, stand against the left wing and the discontented masses of workers. Naturally, for their assistance to the hard-pressed labor reactionaries, the employers are demanding and securing heavy payment in the shape of worsened conditions for the workers.

Cooperation between employers and reactionary labor leaders to blacklist militant workers is an old story in the American labor movement. It is practiced more or less in every industry. But it has enormously increased in these days of intensified class collaboration by the leaders. In the coal mines, for example, the check-off has often been used effec-

tively to this end. In this industry Lewis expels the militants from the union and the employers cooperate to drive them out of the industry. Such blacklisting is a powerful aid for the reactionaries to maintain themselves in control. And, so is the reverse practice of their being able to place in good jobs such workers as they see fit. With this job control in their hands, union officials, especially in the building trades, are often able easily to build up their cliques and to control the unions.

More than once it has been proved that employers help the labor fakers financially to control union conventions and elections. Thus, during the Lockwood Committee investigations in New York, William K. Fertig, Secretary of the Marble Industry Employers' Association, in explaining many checks paid to the heads of the Bricklayers International Union, Bowen, Dobson, and Preece, said:

"My recollection is that there was \$1,000 paid in December last and a payment for campaign expenses of about \$1,500 in September of this year. It was for a union campaign and paid to Mr. Preece."

On the stand Preece admitted receiving the \$1,500. He said: "I did not deposit it to the union account. I took it to the convention and used it for what it was given me. . . ." "At the convention it went for refreshments and the entertainment of my friends." Of course Messrs. Bowen *et al* were not removed from their office. Such little incidents are nothing in the life of reactionary American labor leaders.

4. HELP FROM THE STATE

When they deem it necessary to help maintain their control over rebellious workers the reactionary bureaucrats do not fail to call for assistance from the government, as well as from the employers. The role of the state is to defend the interests of the capitalist class and the employers' appeal for help, through the union leaders, never goes unheeded. During the

"outlaw" strikes on the railroads and in the Illinois coal mines, as above noted, the governmental authorities lent the union leaders every assistance to defeat the striking workers. Nobody was surprised at that. Nor was anyone astonished when after a raid on the Los Angeles office of the T. U. E. L. a few years ago a number of T. U. E. L. members were expelled from the Carpenters' Union. The local union officials had secured their names from the police.

At the Los Angeles, 1927, convention of the A. F. of L., the police and the union leaders cooperated openly against the left wing. Sid Bush was therefore arrested for trying to have resolutions introduced through regular delegates for a labor party, amalgamation, organize the unorganized and other elementary issues. He was accused of "an amazing plot to bore within the A. F. of L." and held on "suspicion" of criminal syndicalism. Says the *Los Angeles Times*, Oct. 6, of this affair:

"From documents now in the hands of the authorities the police have learned that Bush, together with E. Levine, W. Schneiderman, and S. Globerman (Workers Party members) have been active in an attempt to introduce on the convention floor a number of resolutions intended to further the Communist Party's aims to gain control of organized labor."

As part of this policy, reactionary labor men also consider appeals to capitalist courts as legitimate weapons to use against each other and against the rank and file. Thus, to show the wide extent of this evil practice, the January number of the *Typographical Journal* cited two injunctions that had been secured against the International organizations by subordinate locals in New York and Detroit. Even progressive elements, discouraged at the lack of democracy in the unions, are falling rapidly into the dangerous habit of going to capitalist courts for redress of their grievances against autocratic union officials. In various sections, notably the anthracite coal regions, union officials have even asked the authorities to suppress public meet-

ings of their opponents. Thus left wing meetings were ruthlessly broken up during the 1925 anthracite strike, and thus Cappellini, about the same time, denounced Debs and Jim Maurer through the public press, and requested the police to prohibit their Scranton meeting.

In the present struggle in the needle trades between the "rights" and "lefts" the reactionary "rights" have used the state against the "lefts" in every way open to them. They tried by court action to get control of the property of the expelled I. L. G. W. locals; they are cooperating with the police to break up public meetings of the opposition; they are acting as informers to help jail left wing militants; they are using the police to drive the workers back to the shops. Just a few instances of these methods illustrate the situation, which is quite without precedent in the history of our trade union movement.

For example, in Chicago when, during December, 1926, the T. U. E. L. and the local Furriers Union attempted to hold meetings at which Ben Gold, Manager of the Furriers New York Joint Board, was scheduled to speak, John Fitzpatrick and Ed. Nockels of the Chicago Federation of Labor, in cooperation with Sam Levin and other needle trades leaders, gathered together a crowd of toughs and police and broke up the meetings in real fascist style. Beckerman of the A. C. W. has repeatedly done the same thing in New York. He even sent his gangsters to Baltimore, 200 miles away, to break up left wing meetings.

In New York, Matthew Woll, who is the A. F. of L. field captain "to drive the communists out of the needle trades," is at present actively cooperating with the police to put left leaders of the Furriers in jail. He was responsible for the arrest of Ben Gold and many others in serious charges of violence. At a meeting on March 18, 1927, Woll boasted of this, saying:

"Ben Gold is in jail tonight and we hope to keep him there forever."

Edward McGrady, A. F. of L. organizer, made the following statement at the same meeting:

"We have the fullest cooperation of the New York police in our work of cleaning up the Furriers' Union."

The Daily Worker of March 4, shows the lengths to which the reactionaries go with the police to break up the needle workers' opposition:

"Under the cloak of charging union workers with unlawful picketing in front of the Wexstein shop, McGrady caused the arrest of several workers, and for the first time in the history of the American labor movement the spectacle was presented of a professed leader of labor appearing in court as a witness for the prosecution against workers charged by their boss with unlawful picketing."

The following statement from an eye-witness, shows how the needle trades reactionaries are using the police even to deprive the workers of the right to strike:

"The shop struck in sympathy when Litman, one of the workers in the Kulock shop, was removed by the Business Agent because he was a left winger. They were kept out for 5 or 6 days, when the union decided to send all but 5 back to the shop. These people were kept out by strong-arm men and the Industrial Squad (New York's industrial police).

"The 5 who were ousted watched for an opportunity when the strong-arm men and Industrial Squad were temporarily absent. Then they 'pulled' the shop, the workers gladly striking with them and going for a meeting to Manhattan Lyceum. While the meeting was on in Manhattan Lyceum the Industrial Squad entered the hall and stated that those who wanted to go to work could do so under their protection. Receiving no favorable reply, but being told that either everybody would go back to work or nobody, the police refused to permit anyone to leave the hall until they had called up the Joint Board of the Amalgamated. From there, presumably with Beckerman speaking, they were told to bring the people who had worked that day down to the Joint Board office. The Amalgamated sent a Business Agent and the usual strong-arm men. These and the Industrial Squad

took the strikers, virtually under arrest, to the Joint Board, where they were compelled to sign a statement that they would go back to work next day."

5. SUPPRESSION OF UNION DEMOCRACY

(a) Reactionary Machines for Control

To control the unions the reactionaries have built up many powerful bureaucratic machines. These are constructed upon various lines. The A. F. of L. itself is ruled by a well-knit clique, the foundations of which were laid by Gompers. The great power of Gompers and his extended control were due in very large part to the policy he followed of closely protecting the craft autonomy and reactionary practices of the international unions affiliated to the A. F. of L. He was an inveterate enemy of all tendencies to centralize power in the hands of the A. F. of L. proper. He jealously guarded the "rights" of the bureaucrats of the respective unions, except where he helped some powerful union to put pressure on a small one. Thus they came to look upon him and to organize around him as a "safe" man, as one who would not permit the central mechanism of the labor movement to infringe upon them. His policy was centralization of the individual international unions and decentralization of the A. F. of L. itself. He grew strong personally by keeping the A. F. of L. weak and unprogressive. He was a king enormously popular among his nobles because he allowed them to do as they pleased in their respective domains.

In the various International Unions there exist many established cliques, formed for the purpose of offsetting democratic checks and for controlling the official positions. Usually these groups, without formal names or organization, are simple understandings of the bureaucrats to stick together. They use the union funds freely to advance their clique interests. Occasionally these groups take on definite form. The "Wah-

netas" of the Typographical Union are perhaps the best example. This reactionary group, with scores of nuclei throughout the country, was organized to control the Printers' Union, and it succeeded well until the opposition built the still better organized "Progressive Party."

Often cliques build themselves around fraternal orders, such as the Masons, Elks, etc. The Catholic Church also notoriously has its organized following in many unions, especially among the higher ups. The responsiveness of the A. F. of L. to the Catholic Church program is one of the reasons why Catholic unions were never built in this country. Formerly the Socialist Party had many groupings in the unions. But now, when its grip on the unions is restricted to the needle trades, the *Daily Forward* machinery is the basis of its organization. The recently formed "Committee for the Preservation of the Trade Unions" was an attempt of the Socialist Party to rebuild its groups throughout the labor movement. In view of the many groups and cliques of the reactionaries, which universally finance themselves with the unions' money, it comes with poor grace from them to make their present big outcry at the formation of rank and file groups by the left wing.

(b) *Devitalizing the Conventions*

To maintain themselves in office and to defeat rank and file control, the corrupt bureaucrats systematically seek to destroy the convention as a democratic instrument in the unions. Many are their devices, and as the bureaucracy drifts to the right and rank and file revolts become more intense, these devices grow bolder and more fascist-like.

The A. F. of L. convention is the classical illustration of a labor gathering in which the rank and file have no say. The delegation is made up almost entirely of upper bureaucrats. For example, the U. M. W. A., representing some 300,000

workers, has eight delegates. These usually consist of the President, Vice-President, Secretary, and five District Presidents of the organization. The rank and file are completely shut out. The same system prevails in almost all of the other International Unions. The only place a worker gets a look in at the A. F. of L. convention is as a stray delegate from a federal labor union or petty central labor council. Such a convention, completely in the hands of the corrupt bureaucracy, is a fortress of reaction.

In the International Unions various schemes of disproportionate representation are used to disfranchise the majority of the membership. For example, at the recent convention of the I. L. G. W., the Sigman machine held a majority of delegates although the opposition represented two-thirds of the entire union membership. Thus, at this convention the right wing per capita tax proposal for 15 cts. carried by a vote of 146 delegates representing 15,832 actual members against 114 delegates representing 34,762 actual members. Approximately this same vote prevailed throughout. It was manifestly a minority-ruled convention. Sigman formerly controlled the New York Joint Board, the heart of the union, by a similar jugglery. The "lefts" controlled four big locals with a membership of 36,000, for which they had 20 delegates; whereas the "rights," who controlled a number of smaller locals totalling only 20,000, had 38 delegates. After the bitter Joint Action Committee fight in 1925, which defeated Sigman, partial proportional representation was introduced in the Joint Board, so that the "lefts" secured a majority. Similar "democracy" prevails in the other socialist needle unions.

The reactionaries at the head of the Amalgamated Association of Iron, Steel, and Tin Workers control that organization by means of a lot of nondescript delegates from little locals all over the country, many of them merely on paper. The usual thing at its conventions is for the progressives, coming from the larger locals and representing a majority of

the membership, to find themselves very much in a minority. George L. Berry, like the heads of many other unions, uses this same system of basing his control upon the small town locals. A few years ago, when the delegates of Chicago Pressmen 3, an opposition local, attended the International Convention in Tennessee, Berry had them jailed until it had adjourned. When his convention approaches Berry like all real American bureaucrats, sets his whole staff of organizers at the job of digging up a favorable convention delegation. And when the convention assembles Berry, in the orthodox manner of Hutcheson and others, makes his control doubly sure by appointing all the convention committees. In fact, he appoints many of the delegates as well.

Not content even with such means of control, the bureaucrats in many unions seek systematically to have fewer and fewer conventions. The Hod Carriers have had only two conventions since that union was organized in 1903. Formerly the Carpenters held conventions annually, now they hold them every four years. Almost every International has its conventions at greater intervals than formerly. A favorite method to eliminate conventions is to make them so costly, by paying the big delegations extravagant per diem expenses, that the union, with its regular funds, cannot afford them. Then when the rank and file vote on the holding of a convention they also have to vote an assessment on themselves to finance it. So they usually vote "no convention." The cost of the Railroad Brotherhoods' conventions runs up as high as \$1,000,000. The officials take care also to see that the conventions degenerate into pleasure junkets, with constant rounds of entertainments, so that there will be little thought of constructive work by the delegates. Thus many an opposition movement has been defeated.

The conventions of the United Mine Workers are tragic examples of the suppression of union democracy. Lewis' task always is to build up a convention majority from a union

membership which is from 60% to 75% against him. To do this he packs the conventions shamelessly. He brings in the "payroll" vote, at least 300 delegates, from far and wide. Then he rigs up delegates from hundreds of "blue sky" locals. At the 1927 convention he had 166 delegates from West Virginia, where the union had only 337 actual members. Delegations from other districts were similarly packed. Opposition delegates, especially the capable speakers, were ruthlessly ruled out. Speakers were terrorized by professional gunmen. If in spite of such precautions, a majority does vote against Lewis in a convention he brazenly ignores it. At the 1924 convention he did this four times. Once the convention stormed for three hours in protest. But Lewis, holding the platform with his gunmen, waited till next day when the storm had blown over. Then he went ahead, his minority prevailing over the majority. At the same convention, Lewis, knowing that the delegation was overwhelmingly against him on the Howat expulsion question, postponed this matter to the very end of the convention. Then, with three-fourths of the delegates voting against him, he declared his proposal carried and immediately adjourned the convention. Wild excitement prevailed. Dozens demanded to speak, but Lewis' thugs kept them off the elevated rostrum. The delegates, by actual count 1187 of a total of about 1700, immediately held a protest meeting. But Lewis sat tight. The delegates were confronted with the hard alternative of either accepting the three years' adjournment or of hopelessly splitting the union. The 1927 convention, reflecting on one hand the ruinous class collaboration of Lewis and on the other the desperate efforts of the militants to save the union, was even worse. For fraudulent delegations, gangster terrorism, and black reaction it has never been equalled in the American labor movement. Just a few years ago the U. M. W. A. conventions were the most representative and democratic in America.

(c) Stealing Elections

When it comes to stealing elections Tammany Hall politicians are no more brazen than the trade union bureaucrats. Honest elections in American trade unions are almost as unheard of as honest municipal elections. Every conceivable form of fraud is practiced. Many a reactionary leader has thus "saved his bacon" from an aroused rank and file.

In the recent national election in the Carpenters Union Hutcheson pilfered many votes to build up a majority against Brown and Rosen. The recent Machinists' national election was also marked by gross frauds. And the only way Jensen could elect himself head of the Chicago Carpenters District Council in the recent election was by arbitrarily throwing out the vote of one local union. The opposition had no appeal except either to the reactionary Hutcheson or to the capitalist courts, both equally hopeless. "Umbrella" Mike Boyle varies such methods by falsifying the voting machines borrowed from the city by the union. In the 1924 elections in the Bookbinders Union the official figures gave Reddick the election over Haggerty by 5,575 against 5,117. It was later proved in court, however, that Reddick had stolen enough votes in Local 25 of New York alone, not to mention others, to swing the election. Reddick is a crony of Berry's. One practice of reactionaries is to evade inconvenient elections altogether by having themselves elected for life. "Skinny" Madden started this. Wm. Near of the Chicago Milk Wagon Drivers and many other reactionaries are continuing it by electing themselves heads of their unions in perpetuity.

In the unions of highly skilled workers the reactionaries "get by" easier in elections and do not usually need to use the grossest frauds. It is especially in the organizations of semi-skilled and unskilled that such methods are found at their worst. The Miners Union is the horrible example. Thus during the 1926 elections in Kansas, Howat, who had 90%

of the miners behind him, was simply removed from the ballot by Lewis and votes cast for him were not counted. Farrington was brazen in Illinois. He stole votes right and left. At one local union meeting, backed up by his strong-arm men, he boldly declared:

"I do not give a damn whether you vote for me or not. As long as I carry a card in the Miners' Union I'll be President of District 12."

In the 1926 election in District 5, Pittsburgh, the opposition candidate, Siders, was clearly elected. But Fagan, the Lewis man, blithely stole the election by padding the returns and by voting non-existent "blue-sky" locals. Such corruption is, of course, always sustained by the International office if appeal is made against it. In the *Commentary* of Charleroi, Pa., Dec. 19, 1924, the Oates brothers say of the district election frauds:

"For years they have been counting votes from non-existing locals, commonly called sky blue locals. Many of these sky blue locals are down the Allegheny Valley and some of them are counted from territory where there is not a union man around the place, and where a cent of tax is not paid either to the district or national organizations."

In the 1925 election in District 1, in the anthracite section, the renegade Cappellini brazenly stole the election from his opponent Brennan. The following tables indicate the size of the frauds.

OFFICIAL COUNT

Cappellini Slate		Brennan Slate	
R. Cappellini	28,960	W. J. Brennan	10,618
M. Kosak	24,934	G. Isaacs	16,383½
E. Williams	29,297	W. Harris	12,282½
D. Brislin	25,162	A. Campbell	13,098½
M. Battle	15,925	P. Reilly	3,538
J. Furey	21,218	J. Vavrick	10,798
S. Ambromovage	18,820	T. Moran	8,371

ACTUAL COUNT (By Opposition)

R. Cappellini	1,754	W. J. Brennan	9,716
M. Kosak	4,387	G. Isaacs	15,720
E. Williams	3,427	W. Harris	8,415½
D. Brislin	4,580	A. Campbell	12,220½
J. Furey	2,290	J. Vavrick	10,367
S. Ambromovage	2,962	T. Moran	7,865
M. Battle	2,385	P. Reilly	3,200

But the election frauds reach their climax in the national elections in the Miners Union. In earlier years several times John H. Walker, at the time a socialist, was robbed of the election. Alex Howat was also beaten by the fraudulent casting of more than 50,000 votes in the semi-organized districts. After the 1924 convention Lewis officially claimed to have defeated Voyzey, a rank and file communist miner, by a vote of 134,000 to 66,000. Wholesale frauds were practiced by Lewis. Voyzey was undoubtedly elected. Lewis has never ventured to issue a tabulated report of the vote, as required by the union constitution.

The 1927 miners' election exhibited similar frauds. Lewis officially claimed 173,000 votes as against 60,000 for Brophy. This would make a total of 223,000 votes cast for an actual membership of 273,000, a manifest fraud, as returns from hundreds of locals, assembled by the left wing, showed that not more than one-third of the miners actually voted. Lewis stole votes wholesale, both for himself and from Brophy. In District 30, Kentucky, which has no actual dues paying members, 2,686½ votes were reported cast for Lewis and none for Brophy, a clear steal. In District 31, West Virginia, with an average of 377 dues payers, 14,000 votes were stolen for Lewis. In District 19, Tennessee, with only 482 real members, 3,962 votes were reported for Lewis and 15 for Brophy. In the Pittsburgh district one-third of the locals voting have no existence except on paper. In all the other districts similar large scale vote padding and stealing went on.

Brophy, like Voyzey, was certainly elected. Lewis, holding onto the power Mussolini-fashion, refuses to yield to majority votes. He has killed the one time firm opinion of the left wing that the referendum election is a specific cure for autocratic union control.

(d) Violation of Mandates

When labor union bureaucrats find themselves, in spite of all their tricks of control, confronted with definite instructions to apply militant and progressive policies, they unhesitatingly violate the mandates of their rank and file, trusting to the general inertia of the mass to enable them to escape punishment for their treachery. The history of the labor movement is full of such instances.

During 1922-24, the great T. U. E. L. movement for amalgamation swept through the trade unions. Seventeen state federations and nine international unions, besides scores of central bodies and thousands of local unions, adopted resolutions calling upon the A. F. of L. Executive Council to hold conferences to lay the basis for amalgamation. The Council blithely ignored the whole demand, though it represented more than half of the entire labor movement. The following letter, written after the adoption of several progressive resolutions by the Molders Union under rank and file pressure during this drive, indicate the general sabotaging attitude of the upper leadership towards all such legislation:

INTERNATIONAL MOLDERS JOURNAL

Cincinnati, Nov. 22, 1923

"Mr. Louis E. Langer,
Secretary Joint Board (ILGW)
New York City.

"Dear Mr. Langer:

"Returning from a 12 day trip I found your favor of Nov. 20th on my desk, and have time to drop but a line. You will find on reading over the fore part of the November issue of our Journal that the actions taken by our last convention are difficult to thoroughly under-

stand. It is true that a resolution favoring a labor party was adopted, but it is equally true that later on the convention placed in the constitution the provision that 'nothing of a partisan political character could be published in our Journal.'

"It is true that a recognition of the Soviet Russia resolution was adopted. After you have read the amendment I attached to it, which was accepted by those who favored the W. Z. Foster program, you will see that the resolution is like a note signed by a man with the provision that there shall be no methods of collecting inserted in the body of the note.

"As to the so-called amalgamation resolution, it means nothing, as you will find by reading it. It was merely a jester.

"With kindest, personal regards,

"Sincerely and Fraternaly yours,

"J. P. Frey, *Editor.*"

Once the convention in question was over the Molders' officials promptly sabotaged all of its work that they did not favor. A similar case in point during the same big amalgamation drive occurred in the Railway Carmen. Lodge 299 of Minneapolis submitted for referendum a proposition to commit the union to amalgamation. The proposal was regular in every respect, having 10 times the required number of local union endorsements. It would have carried overwhelmingly if the rank and file had been allowed to vote on it. But the national officials swept it aside with a technical objection and refused to let the members vote on it. Thereupon Lodge 299 resubmitted its proposition with at least 20 times the required endorsements. This time the officialdom suppressed it without any excuse, refusing to send it out for a referendum vote, although the constitution gives them no option but to send out all such proposals. Result: the proposition was strangled.

At the 1923 convention of the A. F. of L. fully 50% of the delegates came from unions which, during the prevailing great progressive stir among the workers, had voted for amalgamation, the labor party, and recognition of Soviet Russia. Yet all three of these measures were voted down prac-

tically unanimously at the convention. In the same way the railroad union bureaucrats ignored and defeated the demand of two-thirds of their membership for the amalgamation of the railroad unions following the disastrous 1922 railroad shopmen's strike. When Simon O'Donnell was defeated in his union for delegate to the Chicago Building Trades Council, of which he was president, it was, under the constitution, tantamount to his removal from office. But his building trades clique quickly adopted a rule that it was not necessary to be a delegate in order to be President of the Council. Similar instances of violation of constitutions and rank and file mandates could be cited indefinitely.

(e) Abolition of Free Press

The trade union leaders are wide awake to the value of the labor press as an instrument for the propagation of their reactionary doctrines and the perpetuation of their personal power. Consequently it is a settled policy of theirs to reduce the various trade union papers, which once made a real show at freedom for rank and file expression, into mere house organs to advance the fortunes of the particular ruling cliques. In many unions there is not even a semblance of press freedom. Ideas and programs not acceptable to the dominant bureaucrats are unceremoniously thrown into the waste basket. Oppositional movements are almost completely barred from expression in such journals. Often even official action by big sections of the organizations does not suffice to break the embargo. This suppression of free rank and file expression in the union journals is one of the greatest bars to the progress of the labor movement.

(f) Disfranchisement and Expulsion

As the trade union bureaucracy drifts more to the right it fights ever more viciously to prevent the left wing from

mobilizing the discontented rank and file against it. Therefore the reactionaries apply constantly more drastically the foregoing autocratic methods of control and in the growing struggle against the rank and file upheavals new dictatorial methods have been added. Most of these have originated in the "socialist" needle trades unions, where the fight between the "rights" and "lefts" is sharpest.

One of such relatively new schemes is the arbitrary disfranchisement of the opposition. In the reactionary Boot and Shoe Workers Union the practice has long been followed of placing rebellious members in the so-called "local O," where they have no rights of voting or attending union meetings. But it remained for the needle trades leaders to bring this system to its maximum. They, in all the needle unions, have reduced many left wingers to a state of semi-membership, denying them many of the constitutional rights of the union. Especially is this method used during elections. Scores of times the controlling bureaucrats, with the most trivial excuses or with none at all, have simply refused to place left wing opposition candidates on the election ballot. This nefarious practice is being adopted by the reactionary leaders of many other unions, especially among the miners, where it was used extensively in many districts during the recent elections.

The favorite method of the reactionaries, however, is outright expulsion of left wing leaders from the unions. In earlier years American labor bureaucrats often brutally applied the expulsion policy. But it was usually in some such local affair as the wholesale expulsion of the New York carpenters in 1916 by Hutcheson. It remained for Sigman of the I. L. G. W., patterning after the methods of the Amsterdam International, to introduce in our trade union movement the use of expulsion as a settled policy against political opponents in the unions. He began his expulsion campaign in 1923, in cooperation with the *Forward* machine in New York. Hundreds were driven out of the unions in various

cities. This culminated in 1925 in the expulsion of the entire executive boards of the three big locals, Nos. 2, 9, 22 with about 35,000 members. Result, a mass uprising, the formation of the Joint Action Committee of the expelled bodies, and the temporary defeat of Sigman and his expulsion policy.

Meanwhile many other unions have adopted this policy. The A. F. of L. convention in 1923 had set the pace by expelling Wm. F. Dunne, a regularly elected left wing delegate from the Butte Central Labor Union. Then, during the next couple of years, wholesale expulsions of left wing delegates took place from the central labor councils in Seattle, Los Angeles, Minneapolis, Kansas City, and other cities directly upon the instigation of the A. F. of L. The Carpenters Union officials tried to crush out the growing discontent in the ranks by expelling militants in Detroit, Los Angeles, Philadelphia, Chicago, etc. The Machinists announced the whole expulsion of the left wing, but could not go through with it because of active opposition. Lewis in the Miners combed his entire organization, from Nova Scotia to Kansas, carefully singling out and expelling, often without any pretext whatever, such union fighters as Alex Howat, Jim McLachlan, Duncan McDonald, Tom Myerscough, Tom Parry, Freeman Thompson, Henry Corblishley, Pat Toohey, and scores of others. His plan is to decapitate the rank and file opposition. The Painters and many other unions have adopted resolutions and inserted clauses in their constitutions outlawing the Workers (Communist) Party, the Trade Union Educational League, and various other left wing organizations, and making membership in them or participation in their campaigns sufficient ground for expulsion. The A. F. of L. leadership is lending active support to this expulsion movement by clamoring vociferously upon all occasions for the exclusion of the left wingers from the unions.

But in the needle trades the expulsion campaign has reached

its high point. Sigman of the I. L. G. W., partially recovered from his defeat of two years ago, and supported actively by the A. F. of L. leaders, the employers, the police, and the press, has arbitrarily expelled some 40,000 members of the New York Joint Board. This splits his union and threatens it with destruction. It is deadly to the workers' organization and to union conditions in the shops. The bosses have slashed wages on all sides. Following the suicidal policy of Sigman, the leaders of the Furriers' Union, who are mere catspaws of the employers and of Woll and Green, have expelled the New York Joint Board of their organization. It has some 10,000 members, or three-fourths of the membership of their entire union. Wholesale expulsions are also being prepared for other cities. The two expelled Joint Boards, banded together under the "Unity Committee," are now fighting for re-admission into their unions. The slogan of the right wing A. F. of L. leaders and their "socialist" allies is to get rid of the left wing even if the unions concerned are destroyed in the struggle. The very life of unionism in the needle industry is at stake in this desperate effort to suppress union democracy and to force the workers back under the arbitrary dictation of the reactionary leaders, which means under the control of the employers.

(g) *Terrorism*

A form of terrorism now at high pitch in the trade union movement is the so-called "red baiting." Red baiting consists of terrifying the ideologically backward union membership with frightful stories of the "red menace" and thus stampeding them into supporting the reactionaries. The extent to which this is practiced and the means used to accomplish it are almost unbelievable. Soviet Russia, bolshevism, communism, boring from within; these are magic words in the mouths of the labor fakers. Around them they build

plots and sinister conspiracies at which even a white guard propagandist would shamefacedly blush. Systematically, they play upon the weaknesses of the workers, their religion, patriotism, and petty bourgeois notions generally. Russian gold, to hear the reactionary union leaders tell it, flows freely in the dastardly attempt of the left wingers to destroy all that is good and holy in society. Thus, to cite only one example from a sea of such material, the United Mine Workers say in a special pamphlet against the "reds":

"Millions of dollars are being spent in this conquest. Much of the money is coming from continental Europe, and the remainder is being collected through organizations and committees created for that purpose, or by donations and contributions of sympathetic or well-intentioned people in the United States. Immediately before the start of the miners' strike on April 1, 1922, the sum of \$1,110,000 was sent into the United States, by way of Canada, from Moscow, for the purpose of enabling the Communist agents to participate in the strike. Behind this move was the scheme to overthrow the leadership of the union and then convert the strike into an 'armed insurrection' against the United States Government."

"The massacre of the strike-breakers at Herrin, Illinois, was engineered by these Communist agents 'boring from within' the miners' union. According to their own statements, they were engaged for seven weeks before hand in their preparation for a tragic occurrence of this kind at some point in southern Illinois as a means of 'arousing the workers to revolutionary action'."

And so on endlessly, with many pages of such lurid penny dreadful stuff. The six articles going to make up this particular pamphlet were first hawked to various newspaper offices by the writer of them. He could not sell them. They were too wild even for the capitalist papers to print. But they were meat and drink for the Lewis machine in its campaign against progress in the Miners Union.

Practically all trade union journals and conventions, from the A. F. of L. down, now have as regular features such "blood baths." The reactionaries first picture a terrible red

menace and then, identifying all progressive proposals with it, scare away the more timid delegates. They make, in the minds of many, such elementary issues as amalgamation, the labor party, and the organization of the unorganized, synonymous with bolshevism. Result, the right wing delegates are whipped into a fascist-like frenzy and are made ready for any violence, such as the mobbing of Joseph Manley, A. Wagenknecht, and others at the Scranton, 1923, convention of the anthracite miners. The middle group, or progressives, usually wither under the fiery blast. One of the most deplorable features of present-day trade union conventions is that these "progressives," terrorized by the attacks of the reactionaries, commonly vote against such issues as the labor party, amalgamation, etc. Lacking the courage and aggressiveness to bring in such measures themselves, the progressives are afraid to vote for them when the left wing proposes them, for fear of being identified with the communists. Undoubtedly, in the present backward state of the working class, the "red baiting" terrorism, carried on with all the resources of the unions, is an effective weapon in the hands of the bureaucrats.

These misleaders of labor do not hesitate, however, when hard-pressed, to proceed to much more violent methods. American trade union bureaucrats, especially in the building trades, stand quite apart from union leaders in any other country in the use of physical force to control the workers' organizations. Their methods often approach those of the Italian Fascists. Chicago offers classical examples. It is a fact that Chicago is an especially violent city. Crime here takes on a militancy and violence without a parallel in any other American city. The spectacular gun fights and murder campaigns between the boot-legging gangs, which, carried on with machine guns, armored cars, bombs, and other implements of modern warfare, have cost the lives of about 200 men in the past two years, are typical of the ruthless spirit of such elements.

The reactionary Chicago labor leaders are saturated with this same reckless violence. The union official positions are rich prizes. They mean wealth and power to the corruptionists, and the latter do not hesitate before the most violent means in order to secure and hold them. Consequently there has developed a regular school of labor gunmen, typified by such elements as Madden, Enright, Murphy, and scores of others. For many years these toughs, with their bodyguards and armed cliques, have terrorized over numerous Chicago unions. The wars between these gangs for control have been many and murderous. During the past twenty years scores of men have been killed in such union feuds, some being secretly assassinated, and others shot down in open fights in saloons and union halls. Seldom are these reactionary leaders punished for such crimes, so powerful are their connections with corrupt politicians. The armed cliques of reactionaries war against each other for control of the unions, but they always unite when they are confronted with an upheaval among their rank and file. They have made democracy a farce in many Chicago unions. And what is true of Chicago unions in this respect, is true likewise, to a lesser degree, of unions in all big industrial centers.

A few typical incidents from scores of such in Chicago's lurid inner-union feuds illustrate the methods of these gunmen. Thus the killing of Charles Victor a few years ago at the Painters District Council, by T. Shepler, a bureaucrat gunman. Said the *Chicago Day Book* of the fight:

"Shortly before the meeting adjourned Victor jumped on his chair and fired at Shepler. The rush and shouts of the men trying to escape from the hall almost drowned the fusillade of shots. Shepler stood up. His gun, which had been hanging in a holster on his belt, flashed. Victor tottered and fell headlong from the chair. Blood gushed from his mouth. He shivered and lay still. Shepler sat down heavily. When the police arrived Victor was dead. At the Iroquois Hospital Shepler was found to be shot in the right arm and leg. Another bullet gashed the left side of his head."

Thus operates democracy among the Painters, Gompers style. Here is how the reactionary Teamsters Union Officials settle their disputes, as reported in the *Chicago Tribune*, Jan. 13, 1921:

"South Chicago teaming concerns were under heavy police guard last night following a pitched battle between members of two rival teamsters' unions at Ninety-fifth street and Escanaba avenue early yesterday morning. The battle, during which more than 200 shots were fired, was fought from eight automobiles. Several men are said to have been wounded in the engagement but they were spirited away by their companions in automobiles and their names were not learned. 'No truce' has been adopted as the slogan of both sides and sluggers were being recruited last night by both unions."

Or take a commonplace note from Cleveland labor history: On May 31, 1924, as W. M. O'Brien, second International Vice-President of the Sheet Metal Workers, and J. Nester, Business Agent of the Sheet Metal Workers, in company with other officials, were leaving the union meeting the automobile in which they were riding was bombed by opposing factionalists. Nester was killed and O'Brien was maimed for life. It was never learned who did this job.

The New York "socialist" needle trades unions, like many other New York unions, are also infested with such terrorists. Many of them are connected with the criminal underworld gangs, headed by "Little Augie," Jack Noy, "Frenchy," etc. Usually these plug uglies first established connections with the needle unions during the strikes, because instead of developing the militancy of the strikers themselves in such struggles, the right wing officials commonly called upon the gangsters to man the picket lines. This enabled these corrupt elements to worm their way into the unions, and often into official positions. Their influence upon the unions has been highly poisonous.

With the development of the present struggle between the right and left wings in the New York needle trades unions the reactionary officials have called into their service all these

gangster connections. These, with full police protection, are carrying on an open terroristic campaign, slugging pickets, terrorizing meetings, and beating up left wingers. The outstanding champion of such gangster methods is Beckerman, Manager of the New York Joint Board of the Amalgamated Clothing Workers. At times the conflicts between the opposing forces take on the aspects of pitched battles. The following incident dealing with the slugging of Ben Gold, left wing furriers' leader, sufficiently illustrates the use of terrorism by the reactionaries who seek to force into submission a rank and file which they cannot otherwise control. It is taken from the *Labor Herald* of February, 1924:

"At a meeting of Local No. 15, held on Dec. 19, Ben Gold, Fannie Warshawsky, and Lena Greenberg, were assaulted and brutally beaten at the instigation of Kaufman (President of the International Union). The gang of sluggers was led by the Chairman of the local, accompanied by the Chairman of the Joint Board and an International Organizer, while Kaufman looked on with approval. Gold was stabbed and beaten, and left in a serious condition from which he has not yet recovered. But not satisfied with nearly killing him, the gunmen and stool-pigeons, through their unsavory political allies, had Gold arrested and tried to railroad him to the penitentiary. This effort was supported by the Jewish *Daily Forward*. The workers were so enraged that, on Dec. 27, they staged a mass protest in front of the offices of the *Forward* against gunman rule in the unions."

The objective situation (the upward swing of American imperialism) has militated against the development of a revolutionary leadership at the head of the trade unions and has favored generally the growth of a conservative leadership. But the widespread use of such reactionary control methods by the labor bureaucrats gives the lie effectively to those apologists who assert that the blackly reactionary A. F. of L. officialdom is a true reflection of the backward rank and file in the unions. These misleaders are by no means the free choice of the organized workers. To a very great extent they force themselves upon the unions by means of selling out the un-

skilled, accepting assistance from the employers and the state, and by the arbitrary suppression of union democracy.

For the time being, with the industrial crisis not yet very keen and masses of workers somewhat lulled by relatively steady work during the capitalist "prosperity," these autocratic methods of control stand the reactionary bureaucrats in good stead and make it very difficult for the left wing and progressive forces to unite the rank and file for effective action against their false leaders and the employers. But ample experience has demonstrated that despite all this terrorism and suppression of democracy substantial results can be achieved in educating and organizing the masses and the basis can be laid for real progress in the unions. And as the industrial crisis sharpens and the working masses are forced to lower living standards such autocratic methods will be less and less effective. The rank and file, driven to revolt by hard economic conditions and an awakening class consciousness, will break through every autocratic restriction laid upon them by their misleaders and will build their unions into the militant, powerful organizations that they should be.

CHAPTER X

WHAT MUST BE DONE

The true role of the trade unions is to serve as a weapon of the whole working class wherewith to protect itself from capitalist exploitation. They must be real fighting organizations capable of organizing the workers' battles in the industries, of furnishing a solid base for a mass political party, of playing a vital part in all the struggles to emancipate the workers. But our unions fall miles short of this. Certain relatively small categories of skilled and strategically situated workers secure benefits from them. The bureaucratic cliques of officials use them to further their group interests. But the great masses derive little or no protection from them. Before this goal of building them into genuine fighting bodies is arrived at a whole series of fundamental tasks must be fulfilled, looking to the strengthening of the workers' organizations in every respect.

1. THE FIGHT AGAINST AMERICAN IMPERIALISM

All the work of building the trade unions and the labor movement generally into a fighting organization of the working class must be directed towards the development of a conscious mass struggle against American imperialism. The capitalists of this country are now playing a world role. The United States is a leading imperialist power. The imperialist policies of the capitalists are now the decisive factor in shaping every phase of the class struggle in the United States. They profoundly effect the whole status of the workers, eco-

nominally and politically. It is this imperialism, a menace abroad and at home, that the workers have to fight.

American imperialism, in its aspects abroad, means fierce rivalries with other imperialist powers for control of the world's markets, for its supplies of raw materials, and for the opportunity to exploit the colonial and semi-colonial peoples. Thus new and still more terrible wars are being prepared. As these lines are being written the great imperialist powers, Great Britain, United States, and Japan, are hovering over China, which plunges ahead with its vast revolution, like hawks awaiting an opportunity to devour their prey. They are ready to crush the Chinese revolution by force, and to tear each other to pieces if need be in order to achieve their imperialist aims. Meanwhile, Great Britain by brutally raiding the Soviet delegations and trade bodies in Peking and London, and by provoking the border countries of Poland, Roumania, etc. into hostile actions, is deliberately seeking to precipitate a war with the Soviet Union as a prelude to an intensified attack of capitalists in all countries against the labor movement in all its aspects.

The world stands on the brink of great wars. Yet the trade union leaders do nothing to hinder these criminal enterprises of the employers. On the contrary, they support Coolidge in China, in Latin America, in his attempt to strangle the Soviet Union and to militarize the American workers. They are the pliant tools of the imperialists.

Fundamental to the life of the labor movement is the mobilization of the masses against the war danger, against American imperialism, against world imperialism. The unions, in united front movements with other social elements opposed to imperialism, must reject the militarization schemes now being forced upon the people. They must defend the Soviet Union from attack. They must oppose the attempts of the American capitalists to enslave the peoples of Latin America, China, and elsewhere; they must break their present

isolation and join hands with the unions and exploited masses of these countries, on a program of defeating the machinations of world imperialism; they must arouse the American masses against the danger of new wars. To this end the unions have to become active participants in all the anti-imperialist campaigns ("Hands off China," "Hands off Soviet Russia," etc.) conducted by organizations of the most conscious anti-imperialist forces. They must also initiate great movements and demonstrations of their own against every manifestation of imperialism.

American imperialism at home means militarism, iron repression of strikes, corruption of the labor leaders and labor aristocracy at the expense of sections of the skilled and the masses of semi-skilled and unskilled. It means company unionism, the speed-up system, wage cuts, Watson-Parker laws, persecution of left wing militants, and innumerable other oppressive developments. The left wing, as the basis of its general struggle against imperialism, must lead the fight against all these specific phases of this menace.

To fight world imperialism American trade unions must unite with the unions of all other countries. The proposal of the R. I. L. U. for a world trade union congress to join the workers of every country in one great international labor organization is fundamental to the progress of the labor movement.

As part of this campaign against imperialism must go a vast educational work. Ideologically the American working class is more backward than that of any important industrial country. The workers are filled with illusions about capitalism in general. These must be liquidated in the heat of their everyday struggles and through a systematic propaganda. The workers must be taught the true nature of capitalism. They must be given the elements of proletarian economics; their class consciousness must be awakened. The effort of the left wing must be to develop the scattered trade

union fights for small demands into a broad political struggle against capitalism itself. The workers must be taught to fight not only for improvements in their present condition but also for their emancipation as a class. They must learn that the eventual solution of their many great problems lies not in reforming capitalism but in abolishing it altogether in the teeth of the bitterest resistance of the capitalist class. They must learn that simple trade unionism is not enough, that the workers must also build themselves a great revolutionary political party which shall lead the toiling masses to the overthrow of the present social system. They must look forward to the establishment of the new proletarian social order in which exploitation of class by class will be no more.

2. THE LEFT WING AND THE PROGRESSIVES

In confronting the general problem of developing the trade unions into a powerful movement two things must be clearly realized and taken into account: first, the present union leadership is deeply reactionary, and second, it is strongly organized and ruthless in combatting all forward movements. Therefore, the movement for progress in the unions must be considered primarily as a struggle against the reactionary union bureaucracy, as well as against the employers, a struggle calling for the most thorough organization and determination on the part of all constructive elements among the workers.

Roughly the forces making for the building of the labor movement may be divided into two groups: the left wing and the progressives. The left wing is composed of the more consciously revolutionary elements, those who accept the broad policy of class struggle, such as communists, syndicalists, left socialists, and militant unionists. Following their general leadership go masses of workers, the extent of

which depends upon the combination of circumstances surrounding a given struggle.

The left wing general organization center in the unions is the Trade Union Education League, which was formed in 1920. The T. U. E. L. sets up a series of committees and groups in all phases and stages of the labor movement. It is not affiliated to any political party, but cooperates with all workers' organizations and movements, economic and political, that are making a real struggle against capitalism and capitalist exploitation. The program of the T. U. E. L. is based upon the most elementary issues and needs confronting the workers; including the struggle against the war danger, for higher wages, shorter hours and better working conditions, for the organization of the unorganized, the labor party, amalgamation, democratization of the unions, for the right to strike, etc., etc. Something of the activities of the T. U. E. L., the *bete noir* of all labor reactionaries, has been outlined in the preceding pages. To build the T. U. E. L., by rallying directly around its banner the more conscious elements of the workers, together with the masses in struggle, is a fundamental task in the general work of strengthening and invigorating of the trade union movement.

The progressives, or middle group, comprise those elements in the labor movement, who, although ideologically not advanced enough to accept the whole class struggle program of the left wing, nevertheless are in honest opposition to the reactionary leadership on questions of policy and who often carry on struggles against the bureaucracy over many elementary issues for building the movement. Among the progressives are included large numbers of the lower bureaucracy.

Despite the conservative front of the A. F. of L. and of the large independent unions, and the apparent strength of the right wing, undoubtedly the greater portion of the organized workers fall under the general ideological leadership

of the progressives. But the progressive group, with vacillating tactics and only the vaguest program and most fragmentary organization, is disproportionately weak. Its following is unorganized and demoralized in face of the decisive, well-entrenched right wing leadership. Characteristically, the progressives have no definite national organization. Formerly the Conference for Progressive Political Action was such a center. The Farmer-Labor Party of the United States, headed by Fitzpatrick, was another, but much more to the left. From time to time other progressive centers have developed around specific issues. Cases in point being the former Trade Union National Committee for Russian Farming Relief, the lately returned trade union delegation to the Soviet Union, opposition election slates in various international unions and central labor councils, etc.

The development of such broad progressive oppositional movements is vital in the struggle against the labor reactionaries and the employers. Every forward surging current, every difference in the ranks of the bureaucracy, should be utilized to organize, temporarily or permanently, such opposition movements. Issues like the labor party, "Hands off China," against the war danger, the release of class war prisoners, recognition of the Soviet Union, etc., etc., all present opportunities, upon occasion, to set masses of workers and even sections of the union bureaucracy into opposition to the black reactionaries, who are the chief enemy in the unions which must be defeated at this time. The left wing must stimulate such movements, taking the lead in forming them wherever possible, even though sometimes, because of their ideological backwardness, it cannot play an open role.

Usually, the relations between the left wing and the progressives develop a united front character. That is, the left wing, organized in and around the T. U. E. L., make joint movements with the progressive groups upon the basis of elementary and burning issues. Often the pro-

gressives, undeterred by the ferocious campaigns of "red baiting," will join directly with the left wing in union election campaigns and other organized struggles against the right wing and the employers. At other times the united front will be somewhat informal, occasionally only a general understanding between the two groups. But in any case the left wing, whether participating in joint committees with the progressives or cooperating more informally, must preserve its own organization and program. Two dangers the left wing has to guard against. One is a sectarian tendency to isolate itself from the masses by putting forth for action too advanced or too abstract proposals. The other danger is for the left wing to lose itself in such progressive movements, by liquidating its organization, by neglecting the larger aspects of its own program, by depending too much upon progressive leaders for consistent and decisive actions, and by supporting as progressives, reactionaries (such as Cappellini, and similars) who temporarily find themselves in the opposition.

A basic condition for building and strengthening the trade union movement is the defeat and overthrow of the present ultra-reactionary controlling bureaucracy and the establishment of a militant fighting leadership. The main strategy to accomplish this is by united front movements between a well organized left wing and the progressive group, carrying with them the masses of the organized workers, and putting through such fundamental propositions as the organization of the unorganized, the formation of a labor party, etc. In such combinations the progressives will often waver and fail, and it will always fall to the left wing to be the determined driving force, but these movements constitute the correct strategy at this stage of the American labor movement.

3. SEMI-SKILLED AND UNSKILLED

The left wing and progressive groups, in working for the building and strengthening of the trade union movement, must base their strategy and policies primarily upon the semi-skilled and unskilled workers. There are whole sections of skilled workers, especially in the basic unorganized industries, deeply underpaid, heavily exploited and discontented. They struggle actively against the employers and the reactionary labor leaders. But the oppressed semi-skilled and unskilled are the most rebellious, the most responsive elements among the workers. It is upon them chiefly that the militant and powerful labor movement of the future must be built.

The right wing leaders place their center of gravity among the skilled workers, the most contented and the least progressive elements in the working class. Their strongholds are the printing trades, building trades, strategic portions of the railroad trades, etc. Around the interests of these privileged sections of the labor aristocracy turn the general policies of the trade union movement. More and more the tendency is to neglect and sabotage the interests of the lesser skilled elements both within and without the trade unions, with the consequence that these valuable elements are being lost to the unions.

The left wing and progressives must depart from this tendency. They must place their center of gravity among the semi-skilled and unskilled masses, organized and unorganized. They must concentrate upon the unions containing such masses; they must also organize the unorganized. This, however, without in any way neglecting the work among the skilled. Recent events, such as the elections in the Painters' Unions in New York, in the Carpenters' Unions in various cities, and in the printing trades, as well as widespread wage movements among the railroad workers, indicate that there are deep-going currents of discontent among even

these groups of skilled workers which, if properly organized and directed, can be used tellingly against the right wing bureaucracy and the employers.

But the weight of the left wing's work and the center of its policy must be among the semi-skilled and unskilled workers. It is they who suffer the keenest exploitation and who are most ready to fight, whether in the unions or out of them. Their wages are low. The "boosters" about the "high" wages paid to American workers must retire to the background when confronted with the impossibly low wage rates paid to the unskilled and semi-skilled workers in the industries. The U. S. Department of Labor furnishes the following hiring rates, as of January, 1927, for "common labor," including many groups usually called semi-skilled:

CENTS PER HOUR			
INDUSTRY	LOW	HIGH	AVERAGE
Automobile	33.3	62.5	45.6
Brick, Tile	15.0	55.6	40.2
Cement	25.0	60.0	39.6
Electric Equipment	31.0	52.0	43.0
Foundries, Machine Shops . .	17.5	56.0	38.7
Iron, Steel	20.0	50.0	42.7
Leather	22.5	54.2	43.1
Lumber (Sawmills)	15.0	62.5	33.4
Paper, Pulp	22.5	56.3	43.8
Petroleum, Refining	30.0	62.0	46.4
Meat Packing	37.5	50.0	41.9
Utilities	20.0	56.3	39.4
General Contracting	20.0	112.5	49.8
AVERAGE FOR ALL INDUSTRIES			43.2

Figuring upon a 9-hour day for 52 weeks and totally disregarding lost time for sickness, unemployment, etc., this

average rate of 43.2 cents per hour amounts to only \$1,213 yearly. This is a poverty wage. Compare it with the 1926 living budget of the National Industrial Conference Board, a concern which cannot be charged with undue sympathy for labor. This budget, based on New York conditions, allows \$1685 as the minimum for a family of two adults and two children and \$1880 for a family of five.

Millions of unskilled workers toil for such beggarly wages (for example, 540,000 in the railroad industry alone receive less than \$1,200 per year), and other millions of semi-skilled and even of the skilled are only a few shades better off. It is such widespread low wage rates which pull down the general weekly average of all male adult workers to \$30, and of women to \$17. This is the basis of the bitter poverty to be found everywhere in the steel, coal, textile, and other industrial centers.

Besides low wages, the semi-skilled and unskilled have a host of other special grievances. It is their wages that are first to be cut in periods of depression and the last to be increased in times of industrial activity. They are the ones who suffer the most from unemployment. They, more than skilled workers, are exposed to the full rigors of the speed-up system. They are the most exploited and oppressed sections of the working class. Besides, they are the least poisoned by the employers' and bureaucrats' class collaboration propaganda. Among them the spirit of class solidarity burns brightest, and that of class antagonism runs strongest.

Under present American conditions 43 cents per hour, the going scale for "common" labor, is a fighting wage. On the eve of the bitterly fought Passaic textile strike the adult male workers averaged \$24 per week, or 44½ cents per hour, figuring on the basis of a 9-hour day, and the women \$17 per week, or 31½ cents per hour. This means that many latent Passaics exist in American industries. If there are not more of such struggles among the oppressed masses of

semi-skilled and unskilled it is not so much because these workers have no grievances and spirit of discontent as it is that the trade union officialdom, basing itself more and more upon the skilled workers, fails to give them any leadership in the difficult task of mobilizing their forces against the powerful employers.

Large sections of skilled workers work for low wages and are also at present responsive to left wing and progressive movements of struggle both against the employers and the labor bureaucrats. This is especially true of those industries now in more or less acute crisis, such as mining (shifting of production to the non-union fields), textile (moving of the mills to the South), needle (migration of the industry from big cities to outlying towns), etc. Every effort must be made to take advantage of such situations, and to work among the skilled tradesmen generally, who occupy a key position in the labor movement. But for the real upbuilding of the labor movement the main reliance must be placed in the masses of semi-skilled and unskilled. The rapid mechanization of the industries, typified by the great trust plants, makes them constantly a more vital factor and the skilled workers ever a less decisive element in production.

4. ELEMENTARY TASKS IN BUILDING THE UNIONS

The trade unions, because of their general weakness and out-of-dateness, are incapable of making effective resistance against modern, highly organized capital. To fit them to serve as real weapons for the workers in the class struggle a far-reaching reorganization, recruitment, and rejuvenation are necessary. Among the vital measures, fundamental to the life and progress of the labor movement, are (a) the organization of the unorganized masses, (b) the consolidation, and (c) the democratization of the trade unions.

(a) Organization of the Unorganized

Of the more than 40,000,000 persons gainfully employed in the United States practically 20,000,000 are actually wage workers capable of organization in trade unions. Of these the A. F. of L. and independent unions have organized only about 3,500,000, or 17%. To draw in the great masses of unorganized is the first requisite for the establishment of a genuine working class trade union movement. They must form the very foundations of such an organization.

The organization of these armies of unorganized will have a profoundly revolutionary effect on the labor movement. It will change the social composition of the unions: now they are predominantly of skilled workers; then they will be based chiefly upon the semi-skilled and unskilled, which are much more healthily proletarian. It will also shift the center of gravity of the trade union movement from, as at present, such lighter, more competitive industries as building, printing, the skilled sections of railroads, etc., to the basic and key industries, such as steel, railroads, mining, chemicals, textiles, meat packing, marine transport, electrical, etc. It will bring to the front a more militant, honest, and revolutionary leadership. Moreover, the very struggles to organize the unorganized will impart a new tone and revolutionary vigor to the whole labor movement.

The burden of this great task will fall upon the shoulders of the left wing and the progressives, especially of the former, who must be the driving force in all campaigns to organize the industries. The right wing reactionaries, basing themselves upon the skilled workers and fearing the general upset and revolutionary effects of bringing the great masses into the unions, are an obstacle in the way of organizing the workers. And they must be understood and handled as such. They will do nothing to help, save occasionally along their narrow trade lines.

The constructive forces in the unions should unite for the launching of far-reaching organization campaigns, on the general lines of those carried out several years ago in the meat packing and steel industries. To facilitate these efforts must be made to have the lesser crafts in given industries amalgamate together or to surrender their jurisdiction to the more basic unions. Or failing this, to federate the unions together, standardize and reduce their initiation fees and pool their general resources for the common struggle. The recent period of industrial activity offered a splendid opportunity for such organization. That the unions are not growing rapidly at the present time is one of the most striking symptoms of their general decadence.

To carry on such mass organization work effectively radical departures will have to be made from prevailing narrow craft practices. The campaigns must be carried on in the sense that they are preliminary stages of strikes (which the employers will force before they will permit organization of their workers) and an effective strike strategy must be worked out. The unions must throw their doors wide open to all workers, regardless of nationality, race, sex, skill, age, etc. They must concentrate upon the foreign-born who form such a tremendous factor in the big industries (steel 58%, oil 67%, coal mining 62%, etc.). They must enlist the support of the women workers and housewives in all the campaigns and struggles. They must draw in the youth, who especially because of their strategic position as the connecting link between the foreign-born and native workers, are a very vital factor in the present situation. They must be prepared to utilize every stratagem to establish contact with the unorganized through clubs, shop committees, company unions, etc., etc. In short, the organization of the unorganized should be made the first order of business of the whole labor movement and its best militancy and intelligence concentrated upon the accomplishment of this basic task. Approached in this sense,

the unorganized masses will respond in a surprisingly gratifying manner.

In this organization work special attention must be given to the Negroes. They are becoming an increasingly important factor in industry. They are mostly semi-skilled and unskilled workers. Where the established unions refuse to admit Negroes they should be organized into independent unions and a fight conducted for affiliation. The unfair treatment of Negro workers by the labor bureaucracy is a tragedy to the labor movement. The left wing must play a leading role in organizing the Negroes.

Here we confront the questions: Shall we confine our organizing efforts to bringing the workers into the A. F. of L. and the established independent unions? Or, shall we turn our backs upon these manifestly reactionary organizations and set about the creation of a new series of labor unions?

Both of these questions must be answered in the negative. The A. F. of L. and big independent unions are not hopeless, despite their reactionary leadership and conservative practices, which have been so much dealt with in this book. They contain hundreds of thousands of real proletarians and in many instances, as in mining, railroading, etc., they offer effective means, given the proper driving force from left wing and progressives, for the organization of great masses of workers and the protection of their interests. It would be a basic error in strategy, comparable to the dualism of the I. W. W., to ignore these facts and to reject the existing trade unions altogether. Besides, it must not be overlooked that, with the close of the present era of industrial activity and the precipitation of the inevitable industrial crisis, the trade unions, under the pressure of capitalist attacks, will despite the reactionary bureaucracy veer sharply to the left, slough off many of their present conservative aspects, and tend to become very much more proletarian fighting organizations. The arguments of Lenin, Losovsky and others in 1920-22 against dual unionism

apply today. Under present conditions there is no room for a general dual union movement in the United States, reactionary and decrepit though the existing unions may be.

On the other hand, it would also be a mistake to confine our organizing work solely to the existing trade unions. In some cases these organizations are now so reactionary as to be incapable of reaching out vigorously to take in the masses. In such instances independent unions must be formed, as in the Passaic situation. When this takes place efforts should be made to bring these unions into affiliation with the existing labor unions, but upon such terms as will protect the interests of the workers involved. Unity at any price is a slogan to which the left wing cannot subscribe.

(b) Concentration of Union Forces—Amalgamation

The process of consolidation of the employers' forces goes on ceaselessly. They merge constantly one company with another. And those companies that do not actually consolidate are becoming increasingly fused together by means of interlocking directorates, etc., based upon a widespread joint stock ownership. Grown powerful through the extra profits of imperialism, wrung from super-exploited workers at home and oppressed peoples abroad, the capitalists are leaving no stone unturned to improve their organizations and to fortify their position. This concentration of industry and capital is such a pronounced and recognized feature of this period that, for our purpose here, a detailed description of it may be dispensed with.

But the trade unions, on the other hand, are taking no measures to solidify and concentrate their force so that they can cope with their rapidly growing enemy, the capitalists. The bureaucrats at the head of the unions refuse to take a step ahead. Their organizations are static, unprogressive, and hopelessly out of date. From the standpoint of concentra-

tion, they have hardly improved at all in the last 15 years. They are quite unfit, in their present condition, to make a real fight against capitalism. And the reactionary leaders, adapting themselves to the decrepit condition of the unions, do not intend that they shall make such a fight. Their policy is one of surrender to the employers, by degenerating the trade unions into near-company unions.

To consolidate the forces of the trade unions, in addition to drawing in the masses of unorganized workers, is a major necessity of the labor movement. It involves the application of a whole series of measures, which can only be accomplished by a struggle of the left wing and progressives against the reactionary right wing leaders and the employers. Among such measures are the strengthening of the A. F. of L. as the trade union center by the gradual liquidation of the principle of craft autonomy in major questions and by affiliation of the railroad Brotherhoods and other independent unions to the A. F. of L.; by opening the conventions of the A. F. of L. to all labor unions; by giving the city and state federations proportionate representation in these conventions; by beginning to move in the direction of standardized and lower initiation fees; and by the gradual elaboration of a universal transfer system between the various unions.

But the basic measure for the concentration of the forces of organized labor is the amalgamation of the six score craft unions into a few industrial unions. The maintenance of the present system of craft unionism, with 20 unions in the railroad industry, 20 in the metal trades, 22 in the building trades, 5 in printing, 6 in clothing, etc., etc. is not only incredibly stupid but also, in view of the rapid concentration of the enemy's forces, a criminal betrayal of the workers' interests.

Amalgamation is a life necessity for the trade unions. It will break down craft narrowness and open the door to organize the unorganized. The masses of the workers want it

—they showed that by their votes in the big T. U. E. L. campaign in 1922-23. But the great obstacles to it are the reactionary leaders who fear amalgamation would eliminate them from office or shake their control of the unions. They use, and effectively too, the power of their official positions to demoralize and break up all movements looking toward the amalgamation of the unions.

But the need of the workers for amalgamation is basic. The opposition of the bureaucratic leaders to it must be broken. To do this the question of amalgamation has to be connected up with all the struggles of the workers. No occasion should be lost to drive home the lesson of the necessity for amalgamation; no opportunity should be neglected to unite the left wing and progressive forces around this question. Amalgamation must be made a burning issue, supported by solidly organized oppositional forces, throughout the labor movement. Then the reactionary leadership will be forced to yield to it.

(c) Democratization of the Unions

In previous chapters much has been said of the suppression of democracy in the unions by the trade union leaders, and of its deadly effects upon the workers' interests and organizations. The reactionary leaders pack conventions, steal elections, terrorize the rank and file with gangsters, expel oppositional elements, use the labor press as their house organs, etc., all of which militates enormously against the growth and progress of the labor movement. The leadership, sterile and dead intellectually, not only gives forth no vitality to the movement, but it fights back every life giving impulse coming from the great rank and file. The question of the democratization of the trade unions constitutes a major phase of the work of rejuvenating and revolutionizing these bodies.

The fight for democratization must be waged on many

fronts and over every possible issue. It must include movements to proletarianize leading union committees and conventions by making a certain percentage of workers compulsory in them, to reduce the present exorbitant salaries paid to officials, to eliminate gangsterism, to expose official corruption, to establish a free press in the unions, to secure the right of free expression by political minorities and the abolition of the expulsion policy, for honest union elections and legitimate delegations at conventions, for more frequent conventions, against the use of assistance from the employers and the state by union leaders, etc., etc. The democratizing effect also of organizing the unorganized masses can hardly be overestimated.

Can the A. F. of L. unions be democratized? Can the power of the sterile and dead bureaucracy be broken and the way to progress be opened in the trade unions? These are difficult questions. One thing is certain: the reactionaries are strong and they fight resolutely against every real step forward in the unions. But another thing is also certain, which is that the power of an aroused, organized, and determined rank and file is great. In many unions the experience has been made that in the face of a real rank and file revolt even the hard-boiled autocracy of American trade union bureaucrats collapses. Grable learned this in the 1922 convention of the Maintenance of Way, Johnston of the Machinists found it out in his attempts to smash the left wing in his organization, and Sigman and his cronies are now getting their lessons in the needle trades. In all probability in the struggle for progress and democracy in the unions many of the bureaucrats (possibly the most) will be driven out of office; others will be forced to go along with the progressive tide, and still others, undislodgible, will hang on and strangle their organizations to death.

Whether the A. F. of L. can be democratized and revolutionized completely is not the main question now. What is

important is that the trade unions contain many hundreds of thousands of proletarians. The struggle to democratize the unions, carried on in the main by united front movements between the left wing and progressives, in spite of terrorism, wholesale expulsions, and the other phases of autocratic control by misleaders of labor, will educate and organize these workers and prepare them for whatever steps they may have to take in the long and complicated journey of building up revolutionary class organizations of the workers. The left wing and progressives must direct their best efforts towards the democratization of the trade unions, as a means to and a part of the general process of building up and rejuvenating these organizations.

5. THE FIGHT AGAINST CLASS COLLABORATION

Class collaboration, as pointed out earlier, means that the workers should drop all real fighting policies and "collaborate" with the employers; that is, accept the employers' program. The left wing must combat every manifestation of this pernicious system and strive to throw the labor movement on to a fighting basis. Everything that makes for the strengthening and militancy of the unions and the workers' political organizations makes against class collaboration and for class struggle. Hence, the measures heretofore dealt with in this chapter, the organization of the unorganized, amalgamation, the democratization of the unions, an aggressive strike policy, etc., are in themselves against class collaboration. But now it is necessary to deal with specific forms of class collaboration, in politics, in industry and in finance.

(a) For the Labor Party

The alliance between the trade union bureaucracy and the capitalist parties, which manifests itself through the so-called non-partisan political system, is for reasons sufficiently dealt

with earlier in this book, a form of class collaboration highly detrimental to the progress of the workers both economically and politically. It is a dead weight around the neck of the working class. The shattering of this encumbrance and the building of a labor party is one of the fundamental tasks confronting the working class. It will be a great step forward for the labor movement. It will open the way for class consciousness and class organization on all fronts. It will be a milestone on the way, as the class struggle sharpens, to the building of the eventual mass revolutionary party, of which the present Workers (Communist) Party is the beginning.

As in the other elementary tasks now confronting the labor movement, such as the organization of the unorganized, amalgamation, etc., so in the case of the labor party: the burden of the struggle will fall upon the left wing. Large numbers of progressives favor a labor party, in varying degrees, but they are pessimistic and demoralized and are doing almost nothing to form such a party. It is only the left wing, in the Workers (Communist) Party, and the T. U. E. L., that is aggressively agitating for a labor party, although great masses of the workers favor it, as is evidenced in various trade union conventions.

This throws great responsibility upon the left wing to take the initiative in the labor party campaign. It does not mean however, that the left elements should form radical labor parties by themselves, and isolate themselves from the masses and discredit the labor party idea. The progressives must be drawn into the movement from the start. Ways and means must be worked out to agitate aggressively for the labor party, so that when it crystallizes organizationally, nationally or locally, it shall be upon a mass basis, being formed upon the principle not of individual but of collective membership with the trade unions as its proletarian foundation, and including the affiliation of all existing workers' political parties.

The labor party of the United States, when it is eventually formed, will not be so heavily proletarian as that of Great Britain. Relatively, in regard to numbers, the American working class is much weaker in proportion to the whole population than is the British working class. The American trade unions are also proportionally much weaker. These factors will make the workers in this country look very much for alliances with such non-working class elements as the farmers, professionals, small business men, etc., when first seeking to build a party separate from the two big parties. On the other hand, these petty bourgeois elements, who are finding the Republican and Democratic parties more and more the instruments of big capital, will seek the support of the workers for a mass following when they launch their eventual third party.

Our aim must be to consolidate the workers' ranks politically in their mass party on a proletarian basis and then to form a bloc with the poorer farmers. But where workers en masse and large sections of farmers join together in actual farmer-labor parties we should participate in such bodies and seek to make the workers' influence predominant. In the labor party the left wing must base its program upon the most revolutionary elements, the workers.

The question of forming the labor party must not be brought to the workers in an abstract way. It should be connected up with all their grievances and struggles. Every strike, especially where the employers use the police, the courts, etc., against the workers, should be utilized to further the labor party propaganda. Every treachery by so called "friends" of labor in politics should be used to the same end. The anti-working class policies from day to day of the Republicans and Democrats in office should be made to serve to illustrate to the workers the necessity for a party of their own. Labor should also have its own definite program for legislative demands, including the abolition of the injunction, for establishment of the 8-hour day, against mil-

itarism, for relief of the farmers, for reduction of the tariff so as to take the burden from the workers, against child labor, against discriminating laws applying to foreign born workers, for nationalization of the basic industries, for state relief for unemployment, sickness, and old age, for the release of political prisoners, etc., etc. The fight for this program should be connected up at all points with, and made to emphasize the demand for the labor party, and the eventual establishment of a workers' and farmers' government.

At present, the struggle for the labor party assumes primarily propaganda and agitational forms. Nationally and in all trade union centers there should be organized committees to work for the formation of the labor party. These committees should conduct the labor party campaign nationally and seek to make it a living issue in every labor union, locally and nationally, in the country. When real mass support among the workers is developed state and local labor tickets and labor parties should be formed. The formation of a national labor party should not be undertaken until there is substantial support in many localities and unions.

The prospects are not for the immediate formation of a labor party. For reasons dealt with extensively throughout this book, the backward masses of workers are not yet ready to proceed directly to the formation of a mass party of their own. But in their ranks, and in those of the more honest and progressive officialdom, there is a strong sentiment for independent political action by the workers. It will receive an enormous impulse with the development of the now deepening industrial crisis. This labor party sentiment must and can be organized and cultivated. The foregoing proposals indicate the broad outlines of how the labor party can best be furthered. The left wing and the progressives must take up more seriously than ever the movement for the labor party.

(b) Against Company Unionism

Company unionism is being developed along two general lines by the employers, (1) organization of regular company unions out of the unorganized masses of workers, (2) degeneration of the trade unions into little better than company unions. In either case the company unionizing tendency is a menace to the workers and must be most energetically resisted.

The fight against the regular company unions must have the purpose of destroying them and replacing them by trade unions. In most cases this fight should be carried on outside of the company unions, all participation in them being rejected. Such a policy is necessary where they lack mass support and where they are held in control by the companies through the most autocratic methods. Of such a character are the typical company unions, which must be combatted from without.

But there are many company unions, especially on the railroads, which have a certain degree of mass participation by the workers and which possess pseudo-democratic features. It will often be necessary to work inside of such organizations, by raising the economic demands of the workers in the committees, by putting up election slates of workers committed to the support of these demands, for the purpose of setting afoot agitations among the workers which will enable them to either capture or destroy the company unions and to initiate movements leading to the formation of real trade unions.

Ample experience has demonstrated the correctness of this policy. Very often where the workers have no other organization they strive to use the company unions against the employers. Thus many such organizations have been destroyed, the employers dissolving them rather than let them become weapons in the hands of the workers. During the steel campaign of 1918-19 many company unions in the big plants were broken up in this manner. At the present time the same

tendency manifests itself in the railroad company unions, the workers often placing their demands through these bodies and seeking to use them as trade unions. Such tendencies must be encouraged. It would be a mistake, however, to propose the wholesale penetration of company unions, as most of these are dead shells and it would be wrong to lead the workers into them. Each case must be considered from the standpoint of whether the company union in question, because of extensive participation by the workers, really offers prospects for inside work, or whether, if it is skeletonized and autocratic, the better way may not be to fight it militantly from the outside.

The struggle against the second phase of company unionism, the tendency of the employers to company unionize the trade unions, must be carried on aggressively at every point. The left wing and progressives, in united front movements, must fight for the general invigoration and strengthening of the whole labor movement by the achievement of such fundamental tasks as the organization of the unorganized, the amalgamation and democratization of the unions and the formation of a labor party. They must shatter the present reactionary bureaucracy and replace it by an honest, progressive, and eventually, revolutionary leadership. They must take the leadership of the workers in their fights for better wages, shorter hours, against the injunction, for the release of political prisoners, and against class collaboration in its various forms. They must seek to initiate militant strike movements and to bring the working class on to the offensive. They must utilize all these struggles for developing the class consciousness and raising the ideological level of the working masses. The whole struggle against the reactionary bureaucracy and the employers is the fight against the company unionization of the trade unions, as well as against company unionism in general.

The heart of the movement to company unionize the trade

unions is the necessity and determination of the employers to speed up production and thus to fatten their profits in the tariff-protected domestic market and to enable them to compete more effectively in the struggle to capture a greater share of the world market. The bureaucrats of the unions have yielded to this demand of the employers for more and cheaper production and through their B. and O. plans, new wage policies, and similar "union-management cooperation" schemes, they are assisting the employers to more intensely exploit the workers.

The left wing must set its face like flint against this whole "cooperation" tendency, which is degenerating the trade unions into appendages of the employers' producing organization, into company unions. The workers have nothing to gain and much to lose in this speed-up, or industrial rationalization movement. For them it means to be work-driven beyond endurance, mass unemployment, the weakening of the unions, and eventual long hours and low wages; not to speak of the war danger bred of the sharpening struggle of the various powers to dominate the world market.

The workers must not "cooperate" with the employers to increase production. Their task in the given situation is to build their unions and political mass labor party, to defend every advantage the workers hold and to wring from the employers every possible concession. This means that the B. and O. plan, the "new wage policy," and like schemes for helping the capitalists exploit the workers must be resisted to the maximum and all insistence laid upon the development of a policy of real class struggle against the employers. Thus Bucharin has recently formulated the attitude to be assumed by the workers towards the rationalization speed-up movement:

"Class conscious workers cannot be opposed to the introduction of machinery, technical improvements, etc., but it is not their business to concern themselves about these improvements within the framework of

the capitalist system. The only possible presentation of the question from the point of view of the workers is: the mobilization of the proletarian forces to combat all the consequences and aspects of the scientific management which harmfully affect the working class."

The fight against the evil effects of industrial rationalization must be aimed to defend not only the employed workers, but especially the unemployed. Unemployment will become more and more a factor. Thus the left wing will have to lead in the combatting of the menace. The work day must be shortened, the available work distributed among the workers concerned, a thorough organization built up among the mass unemployed, a close bond developed between the employed and unemployed, organized demonstrations and demands for state relief, etc., etc.

(c) Class Collaboration in Finance

As pointed out in previous chapters, an especially paralyzing phase of the new American reformism is the extended class collaboration in finance, characterized by employee stock owning, labor banking, trade union life insurance, labor investment corporations, etc. The left wing must lead the fight against this general movement. The workers must be made to realize that the great task of the union movement is not to gather together the meager savings of the skilled workers, but to defend the economic interests of the great masses of poverty stricken workers, to fight for the whole working class.

Here the question turns around the disposition of such savings as the workers are able to put aside out of their slim wages. How great these savings are annually is problematical. Estimates vary from \$500,000,000 to the preposterous figure of \$6,000,000,000 as estimated by Brady, President of the Federation labor bank of New York. In any event the amount is a relatively large one although the individual worker's share is small. For many years past the employers, aware of the size and importance of these worker-

savings, have been seeking to get control of them through savings banks, building funds, life insurance, and especially lately, through the sale of their companies' stocks to the workers. During the past few years the labor bureaucrats have fastened their eyes on these workers' savings and have organized a whole series of institutions wherewith to secure them. This is the financial basis of trade union capitalism, with its labor banks, trade union life insurance, stock-buying, etc., etc.

The most dangerous aspects of the trade union capitalism and employee stock-owning movements are the illusions which they develop among the workers. Both capitalists and trade union bureaucrats enormously over-estimate the extent of the workers' savings and the possibilities of their investment in industry. They seek, with their gigantic propaganda, to mislead the workers into believing that class struggle is useless and that the way to emancipation for the working class is through cooperation with the employers and by a policy of savings investment. To develop a strong counter propaganda to liquidate these illusions, now being so assiduously cultivated, is our first task. The workers must be taught the folly of the notion that they can buy their way into control of the industries. They must be warned to buy no stock in capitalist enterprises. They must be made to realize that only when they have built up mighty economic and political organizations, animated by a revolutionary spirit and consciousness, and when, through these, they use all their power against the capitalists, can they effectively combat capitalism and eventually overthrow it. The bitter experience of the B. of L. E. with its labor banks and investment companies shows how utterly destructive and demoralizing is the entire system of trade union capitalism.

As part of the whole struggle against trade union capitalism, a strong agitation must be carried on to stimulate the workers to demand social insurance (for old age, sickness,

unemployment, etc.) They must demand that the state assume responsibility for these eventualities, instead of pushing the responsibility upon the individual workers.

What shall be our program for the disposition of those savings which some of the more favored workers, at least under present conditions, are able to set aside? It is manifestly impossible to advise the workers to turn these funds over to the capitalists through their channels of savings banks, stock buying etc. Besides the other, self-evident, disadvantages of such a course, it would give the right wing leadership a powerful argument against the left wing. Likewise, it is out of the question to tell the workers to hand their savings over to the trade union leaders so that they can use them to extend their system of trade union capitalism. Only one other course remains. The workers must undertake to organize their savings themselves. They must divert them away from the hands of the bureaucrats and into the channels of genuine cooperatives.

First: such enterprises must be kept separate from the trade unions proper. The present capitalistic labor banks, life insurance companies, etc., operated directly by the unions, besides developing a powerful reactionary bureaucracy and poisoning the workers' organizations with class collaboration, directly divert the attention of the unions away from their proper sphere as fighting organizations and towards capitalistic business. They must be severed from the trade unions and where possible liquidated, or some, under rank and file pressure, may be reorganized into cooperatives.

Second: the developing cooperatives growing out of the workers' savings must be organized upon a democratic basis according to the established principles of genuine cooperation. The present labor banks, etc., are entirely within the autocratic control of little cliques of conservative officials allied to the capitalists.

Third: The cooperatives shall confine themselves to the

legitimate activities of a proletarian movement, using their funds for the promotion of the workers' organizations and struggles. Trade union capitalist institutions, on the other hand, set up the most harmful combinations with capitalist companies and indulge in all kinds of reactionary business practices.

6. THE PERSPECTIVE

For the present the American labor movement is passing through a period of relative calm. The employers, with their flourishing imperialism, are able to maintain the great body of workers in employment at wages which, although they represent no appreciable improvement in the position of the workers, do not constitute great lowering of their living standards. Strikes are few, and such discontent as exists amongst the workers is largely smothered by the reactionary trade union leadership.

Reformists of all shades and opinions, champions of the new American reformism, look with hope and satisfaction upon this situation. They see in it a liquidation of the class struggle, a gradual coming together of workers and employers upon the basis of a fundamental community of interests. But this is an illusion, and its propagation is a menace to the education and organization of the workers. The present situation is only the calm which precedes the storm. Inevitably, through the very contradictions inherent in the capitalist system, intensified by the extension of American imperialism itself, the employers and workers, with violently clashing interests, will be thrown against each other in greater and deeper going struggles than ever before. Even small reductions in the relatively high living standards of American workers will set great masses of them into active struggle against the employers.

Only a few years ago the British workers were among the

most conservative in the world. The common boast of the employers was that socialism was a thing alien to England, that the working class of Great Britain would never take the road to revolution. The basis of this conservatism was a flourishing British imperialism which was able, on the one hand, to grant special concessions to the aristocracy of skilled workers, and on the other, to furnish relatively steady work to the unskilled. But now British imperialism, weakened by the world war and relegated to second place by American imperialism, is on the decline. England has lost its old position as the workshop of the world. The employers are no longer able to buy up the labor aristocrats with concessions; a vast army of chronically unemployed walk the streets; the living standards of the masses have declined. And what a profound effect it has had on the working class. The hitherto conservative British workers have travelled fast to the left. Now they stand in the front ranks of the world's proletariat. They are massing themselves around the leadership of the Communist Party and the Minority Movement. Their recent general strike was only an indication of the far greater struggles which are bound to come and which must go on intensifying until they eventually culminate in the overthrow of British capitalism.

What is happening in Great Britain must, in the main, also take place in the United States, and before many years have passed. Inevitably there will be recurring industrial crises, climaxing in a general decline of capitalism and accompanied by a rapid radicalization of the working class. The wild rush to speed up production and the mad scramble to capture the world market and colonies must, in addition to provoking disastrous wars between the rival imperialist powers, also bring about deep going economic and political crises in this country. In these crises industry will be brought to a halt, millions will be chronically unemployed, the employers, assisted by the state, will make desperate drives

to reduce the workers' living standards and to destroy their economic and political organizations. Inevitably the workers will respond by developing their class consciousness, by building a powerful political party and strong industrial unions, by discarding their reactionary leaders, by carrying on a policy of class struggle, and by aiming at the overthrow of capitalism and the establishment of a government of the toilers. In his *Letter to American Workingmen*, of Aug. 20, 1918, Lenin said:

"The American working class will not follow the lead of its bourgeoisie. It will go with us against its bourgeoisie. The whole history of the American people gives me this confidence, this conviction."

Great struggles stand before the American working class in the not far distant future. A foretaste of this was had in the period of 1921-22. Over 5,000,000 workers were unemployed. The biggest series of strikes in our history raged in nearly every industry. Among the farmers the crisis was even more intense. Over 2,000,000 people were forced from the farms into the cities. In this period a wide wave of radicalization spread among workers and farmers.

For the moment the crisis in industry is not acute, and the reformists believe it will never return. But this is only a temporary condition. The signs of the growing industrial crisis multiply. Unfailingly the wave of industrial and agricultural crises will mount higher and higher and the response of the workers to them will be more and more militant, powerful, and clear sighted, until the eventual time when, the aroused workers and poor farmers will deal capitalism its death blow and open the way for the establishment of a government of workers and farmers, a society from which the exploitation, misery, and hardships of capitalism will be forever banished.

THE END

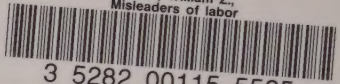
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